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EDITED TRANSCRIPT

TRS - TriMas and Global Horizon Investor and Analyst Day

EVENT DATE/TIME: MAY 21, 2015 / 1:30PM GMT

THOMSON REUTERS

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PRESENTATION

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

We appreciate your interest in TriMas and Horizon Global, and the time that you're taking to spend with us today.

On behalf of everybody, like I said, we're very, very appreciative of your interest.

I wanted to remind everybody that the presentation today is webcast. This is our standard forward-looking statements. And we will be posting the transcript and a replay most likely tomorrow for your convenience.

A copy of the presentation is in your folder as well, as well as the bios from the people that are going to be presenting.

For anybody that needs the Wi-Fi code, it is trimas2015, no caps. There's also a sheet that you could have got at registration, but hopefully you have that information. And Jan is outside if you need anything throughout the event.

From an agenda perspective, we're going to start off with Dave Wathen, and he's going to speak to the new TriMas and give you some perspective there on the businesses moving forward. And then we're going to dive right into the five businesses and give you a time in between for some questions. We'll then follow-up with Bob Zalupski, our CFO, and the TriMas value proposition, have some more Q&A.

And then we're going to break into a lunch that will have the Horizon Global team joining us as well, and then they'll kick off around 12.30 with their event.

We have most of our corporate leadership team here in attendance, and most of you know Dave Wathen, our president and CEO as well as Bob Zalupski, our chief financial officer. Also attending is Josh Sherbin, our general counsel; Paul Swart, our chief accounting officer; and Colin Hindman, our vice president of Human Resources.

We also have our experienced leadership team in the businesses, and we have David Pritchett, Kurt Allen, Tom Aepelbacher, Len Turner, and Jerry Van Auken who you'll hear from throughout their presentations about their businesses. And as I said before, their bios are included in the packet for your convenience.

And then finally, I just wanted to remind everybody that the presentation today assume that we are going through with the spinoff of the Cequent businesses, which is still targeted for mid-2015. We filed the original S-1 statement on March 31. I would expect an amendment to be filed shortly.

We also expect TriMas to receive a tax-free dividend for consideration, and we're working on the capital structure and the transition services agreement as well, so more information will come when we do the next filing.

At this point, I'd like to turn the meeting over to Dave Wathen, president and CEO of TriMas.

Dave Wathen - *TriMas Corporation - President, CEO*

Thanks, Sherry.

Our intention today is to share what you need to know about new TriMas and about Horizon and, of course, we'll do that in two parts, as Sherry mentioned. And as Sherry mentioned, I'll remind you I'm going to speak as if the spin is done. I will share with you that we have been in that mode for a while.

We actually took us a new strategic plan to our board a week ago for new TriMas, a lot of what you'll see today about what's important to us, what our goals are, what our metrics are, how different we are is a part of that process.

The key messages that I want to make sure that we communicate well with you is we are still a business that I like to call it we build hard to design, hard to build products. We're important to our customers. We tend to be designed in that's even more true post spin.

The world is a somewhat frustrating growth rate, but that said, there are always macro trends, and you're going to hear a lot today about ones that matter to us, what we're doing about, being connected to those trends, and what the upsides are for us.

You're going to hear from the folks we run our businesses. David, Kurt, Tom, Jerry, Len are all deeply experienced and have good teams working for them. That's the way we run. I count on my division presidents to understand the businesses inside-out.

As much as I enjoyed involving the businesses, my expectation is that they run them. And my role is more one of what do we concentrate on, how do we allocate our resources in the broadest way -- people, capital -- and how do we use that to maximize the value of TriMas.

There is no doubt that the spin both simplifies and improve TriMas. They're both very good companies, but they're different. And, of course, a lot of you have told me that quite often over time. And it's becoming more and more clear as we get closer to it how both companies can optimize and what the upsides are that are different.

Of course, in TriMas, the metrics all take a step function improvement on day one. It's just a different mix of businesses in margins and returns, but again they are in quite a bit different characteristics, even different liabilities and all that kind of characteristics.

We have view of our strategic planning process have key initiatives in each business. A lot of today is about helping you understand what's going on in each business and why do we have -- why we believe we have the path in front of us that Bob will share with you. We're going to try to be as clear as we can about where we are and where we're heading and, of course, how we get there.

And I would put an asterisk beside the comment. I mean, it has sunk in clearly over the last, call it, year plus that the metric that we have been misaligned with some of our peers our margins. There are a lot of reasons for that and the kind of acquisition we've done, the growth rates we tried to achieve. If you put an asterisk on one key message, we are heavily concentrated on margins.

And you're starting to see results. And then you saw first quarter aerospace margins hitting back to where we expect them to run, for example. So you're going to hear a lot today, too, about those kinds of programs under way.

I am quite upbeat about where we're heading.

You have all seen this chart multiple times. The Horizon Global business will be described this afternoon. Again, we're talking about the new TriMas company.

Let me remind you why we like this portfolio of businesses, what I think the strategic advantage of each of these businesses has. The packaging business is global. It is following several macro trends that appear to be continuing.

There is an ongoing globalization of our customer base who are looking for people like us who are global suppliers. And you're going to hear David Pritchett describe that well, but it's a trend towards globalization.

There's a trend towards [thicker] materials. There's middle-class growth rates that are high in certain areas of the world, and we are aligned with those programs. You've seen a great history in this business. We intend to keep that rolling.

The aerospace business has again got some strong, strong drivers for it. The commercial aircraft build rates, the lightening of aircraft with composites, all our products they're using composites. We're seeing more opportunity also for difficult machining applications being outsourced by more and more of the aerospace since we're looking for people to be purchasing that. We feel like it's a good time for us in this business.

We've, of course, done a big acquisition. You're going to hear a strong theme both in packaging and aerospace that is good as they are. We are reorganizing the frontends to be even better with how we go to our customers. I will let the folks who run those describe that for you.

Our energy business is -- of course, you all know it's not an oil and gas business, it's a MRO business or refiners for petrochem plants. I like businesses with that kind of long, steady, ongoing demand. And you put up a little bit of reciprocality in it, but the demand is there more with consumption.

We have spent a lot of resource building this business out into a global platform. We have clearly got work to do that Kurt will describe where we're at and working on the footprint of how we deliver so that we've got our cost right for it, but it's got good solid ongoing demand. It's also a kind of a business just like aerospace that gets design in, heavy specs, litmus test -- all those sorts of things. When you're in that kind of business, the barriers to entry are very, very high.

We report engineer components as one segment, but, of course, it's our Norris Cylinder business, which has had a remarkably strong track record in a business that you'd say that's a GDP business. Of course, our growth rates are higher than that. Our margin rates are very attractive in the business. Our return metrics are very attractive because of moves we've made to continue to do some consolidation of the industry.

And Jerry will describe the successes of that, but in the trend that he's on. Len will talk about our aero business, which if we're standing here five years ago talking about our last downturn we went through in that business and what happened, it was way tougher on it than this were has been. Len and crew have done a great job of verbalizing that business and is painful as the drop-off in oil -- it's not oil price, it's number of drill rigs and all that -- painful it's been.

We have stayed profitable. We've stayed with positive cash flow and it's all upside as we go forward. So that's the reasons I like these businesses strategically. It leaves us with a great portfolio of businesses with upside for a variety of reasons.

There are always commonalities that we try to utilize. And again, the idea that we do a lot of technical work for our customers to make sure we're designed in.

We stay quite narrowly focused on the markets we're after. We don't pretend to be something we're not. And, of course, the danger is we would let ourselves get pulled into something else that feels more like a commodity for the volume, and that's not us. And if anything, the new TriMas company that's even clear to us -- to stick to what is attractive to us and our metrics and hurdle rates were the kinds of things we will continue to invest, we will continue to do acquisitions, but we stick to what we understand and has got the kind of financial metrics we expect.

We operate with strong brand names, we utilize those. Again, you'll hear some of that as we go through.

We have very well-established customer relationships. We are again post spin. We are a B2B business. I mean, we deal with customers who have high expectations for us. We really try to make sure we're configured to be a supplier that they need, which, of course, gives us pricing power, allows us to follow them with our own growth programs. And so we don't go [plan for flight] by ourselves. We follow them.

Lots of barriers to entry. We do a lot of work in intellectual property. We defend it. We want everybody to know we will defend it. And once in a while when you do a search for our names, you will recognize we are actively using the court system when we need to to teach somebody a lesson, I'll call it. And you don't have to do that very often. Just make sure that everybody knows we're protected. We also do a lot of long-term contracts before we release proprietary information.

Lots of opportunities for growth and margin expansion. We'll hear a lot of that today. We are a strong cash flow, strong return on capital kind of a business can get better, but again a step function change as we go forward.

And I can't say enough about how important it is in the kind of businesses I just described -- technical, litmus testing from industry associations, all that, it takes great expertise in our business to be able to do that. And our strength is in our people.

Post spin, our sales by segment look like the pie charts that you see here. You can see a reasonable balance across the businesses. Our geographic -- the actual countries weren't changed and were quite a bit simpler with some of that. Our mix stays kind of similar. You're used to us being three-fourths domestic business, one-fourth outside US. I don't have a preconceived notions about what's right. That isn't one of my metrics. Well, it's important to understand it.

There's not an independent driver for our mix of what country we're in. Again, it's more about profitable growth and return metrics.

Broad blue-chip kind of a customer base, again we tend to follow our customers, do what they need, make sure we're important to them. You're going to hear snippets all day about us having engineers onsite, all that kind of thing.

But also though it's important to remember as important and big to those customers are, we're not so dependent on any one of them that they've got a lever that can threaten us. You've all dealt with businesses that a customer is so important they've got a lever that can be painful. We're not that kind of a business.

Now let me talk to our characteristics. Let me look a little further forward. This chart is busy on purpose. It's a reminder of all of you understand how to get data and forecast about what's going on the global economy. The trick for business managers is to sort out what matters in all that and how we're going to use it.

In spite of the -- number one, in spite of the GDP data kind of be uncertain in the US, it looks kind of like a couple of percent even forecast going forward, there are always macros within that to grow faster.

Europe, maybe some improvement, but you're not going to grow a lot in Europe. And it makes the competition such that it's hard to capture margins. So you want to be someplace where there is an upside. China is slower, but it's still very attractive. You can say the same thing about India. You can say the same thing about Vietnam, Thailand that those -- and in South America, there are still middle-class growth rates that a lot of our products wind up one way or another with the middle-class.

So you're going to hear that theme today that we really try to think through where the upsides are and how we're going to capture those.

There is also good momentum in non-durable goods. The number six there is about aircraft. Look at the slopes of those curves. If anything, you can say the backlog is climbing up faster than the planned ramp-ups. I mean, we'll see. But the only question is, is it four years or six years or eight years of a continuing heavy demand.

The technical reason, of course, is fuel economy, new technologies that make it useful to replace aircraft. The demographic reason is growing middle-class, who flies, bigger fleets, and all that. And Tom will describe what we're going to make sure we get that. So oil and gas is always an uncertainty, but we have verbalized our cost in our business that depends on drill rigs and have come through this recent term pretty well.

Pulling up together what matters to us, what I say are the takeaways that are important to TriMas, why I'm quite encouraged, there is middle-class growth and you can name the countries. We are in those countries. We have customers who are pursuing that.

Aircraft backlogs, a lot of change in packaging, dispensing, thicker materials and all that that is an underlying drive for heavy innovation. David Pritchett is going to talk about how we make sure we're configured with that. As good as I think we are in that business, we're going to be better as we go forward.

The world of petrochemical has got a lot of change going on. We continue to be well-positioned for that. We ride the demands of the refineries, and we have a broad enough set of products now at the extraction level that will continue to help us grow.

Globalization by customers, you'll hear that theme pretty regularly. And ongoing industry consolidation, how many times you read about somebody on acquisition and all that. The theme that is clearly mattering to us is a consolidation of distributors. It changes how we go to market. It puts in turmoil on the system.

When it's all said and done, that consolidation makes manufacturers one step closer to customers and ultimately is good for manufacturers. It's a good time to be a manufacturer versus being a distributor scrambling to find some economies of scale in it. So again I obviously think it's a good time.

Our strategic planning process, we updated our vision -- trusted global leader, innovative, engineered products, and do the things to make sure we're important to our customers. And I'm going to flush you to these outputs, the themes and all of us across TriMas, profitable growth, keeping after our margins, resources, capital allocation, the levers of where does it go, it's gotten easier post spin, and ultimately making absolutely sure we're the place the great people want to work.

The differentiator in business is people and we're making sure we're the place that attracts, retains, trains, develops the kind of people we need.

Profitable growth, some of this is mass. Our higher margin businesses, growing them faster, making sure we allocate capital, allocate resources towards our higher margin businesses. So driving profitable growth is a key metric for us.

I mentioned being very involved with our customers, riding the right horses. Keep the barriers to entry up, you'll hear that theme as we go through today, and we will continue to do acquisitions, but probably somewhat different than some of them in the past, and you've seen that in our last few that have much higher returns.

Keeping after our margins, again that's the metric that we intend to be on a nice steady improvement track as we go forward. We can recognize what that does to it, again (inaudible) care improvement in our metrics post spin, but ongoing improvement as we go forward. And we know the tactics. Most companies do. It's about execution -- having your footprint right, what plans you're on, again you'll hear that theme as we go through. We understand what the actions are.

We have a well-developed, now lean and continuous improvement for TriMas operating reporting system that helps us make sure we're there.

Capital allocation is key to making sure what capital we've got goes to the right places even to say hard to do, but in the level of sophistication for every company and certainly for us has gotten higher, and we understand where to allocate our capital to drive the highest returns. And I think we're on that path quite well and where you out saying it is easier post spin.

And you'll never going to hear me talk about business without the reminder that the differentiator is people. Money isn't very expensive. Factories, while it takes a while to build them, equipment is available, the differentiator is people. All of us learn that over and over, and partly it's finding them and developing the right people, and a lot of it is just making sure we have the culture that makes people a joy and being a part of this company and a good portion of what I try to do is directed at that.

So I'm going to turn this over now to the folks who actually run the businesses who are going to teach us some things about their business. But I'd ask you to have a couple of takeaways.

We have set new metrics. You're going to hear that theme as we go forward about where we need to be on the key metrics of business. Good progress so far. You're going to hear profitable growth plans. You're going to hear margin improvement plans in all businesses, more in some than in others. We have a multi-year capacity ramp-up underway in packaging and aerospace for the foreseeable future. And we will allocate our resources towards that to make sure we enjoy the upsides that are there in that marketplace.

The energy business has done a great job of building out its footprint and has depending on the [swungs] this turn more towards margin. A guy like Kurt has to do both, but his highest priority right now is margin improvement. And we have a great balance of growth, productivity, cost out, returns in our engineered components as you're going to hear from each of these folks.

So I'm going to ask David Pritchett to share information about our packaging business. David has been in our packaging business for many years, has really run the frontend of the company. You remember Lynn Brooks has run it for a long time and retired, but David has been on that track to do this. It's a great pleasure for me to see somebody be able to step into a role and not only continue the good stuff, but find more good things to go after. And I love it.

So, David? Thank you.

David Pritchett - *TriMas Corporation - President - Packaging*

Good morning. Okay. Let's just give a quick overview for Rieke because I know some people know better than others. How will you describe us? We're a specialist packaging business. We operate globally as Dave said. We're circa $340 million, and we've got operating margins in the low to mid 20's.

The key businesses in markets that we operate in are industrial, food, and beverage, health and beauty, and home care.

The key competitors out there are the companies such as Greif, Berry, Mead-Westvaco, Calmar, and Aptar.

What differentiates us is intellectual property and we're going to run a little bit more -- manufacturing agility and global supply. And as Dave said, the team, we've got at Rieke is outstanding.

Okay. Let's talk into a little bit more. Let's start with the products.

Rieke started as an industrial closures business, but you'll see now we 75% of it is specialty dispensing. So through acquisition, product development, geographic and market diversification, we've transformed it into a lead and supplier of specialist dispensing systems. But then we are still a major dominant force in the industrial closure business of North America.

Over to the markets, we like the fact that we've got a broad exposure to different sectors. This reduces the, to some degree, recession in the cyclic trends that you can see.

We like the fact that we deal with food and beverage, healthcare where there's high barriers to entry. You've got to be pretty skillful to do it. You got to have a good technical reach as far as product development. But also some of the businesses we've got regulation around them, we've got compliance and safety standards, which we take advantage of, and that allows us to earn higher margins in some of the sectors of packaging.

If you move over to the geography, we continue to globalize. You'll see later on in the presentation how we've managed to do that. But we're in the business of pursuing high growth economies. By that we're really looking for parts of the world that are industrialized and then you'll see a growth in consumerism. And that's a key point for us.

The key takeaway is we've diversified the business. We've positioned it technically and geographically to grow organically.

Three things I'd like to delve into a little bit more is I would reorganize globally to end market focus, how we're going to continue to develop new products and the investment we're making in that area, and then how do we optimize this global footprint going forward.

One of the key questions that again asked quite a lot is how do Rieke make operating income percentages in the mid 20's when our competitors don't do that.

I think it's pretty simple. We call it aggregate wins. We look at every areas of the business. We look at every area that we can improve in. We also look at what our competitors do and we say how do we actually do it better. So it's not some magic voodoo doll say you do one thing and it gives you margin. It's the capability to do a lot of things well and to continue to do it better, and we spend a lot of time doing that.

Okay. We've shifted the business, as Dave said, from a product focus to a market focus. Why would you do this? I think when you redefine the essence of a business, it restates the type of growth profile that you can enjoy. If you're saying you're only selling one closure, then you find your market as one closure. If you're saying you're satisfying the industrial, food and beverage, health, beauty, and home care markets, then likely it is a different proposition.

What it also does is allow us to customize our offering to each market. You'll see that industrial and health, beauty, and home care are clearly different so it allows us to do that. It also allows us to divide and focus our activities so we can do more quicker. Every team can only have one priority. But if you got four teams, you've got four priorities, so it's as simple as that really. It's a number thing.

What it also does is it drives a sharper focus on what makes money versus what doesn't. You do more a lot of those, you get rid of the activities that doesn't, it gives us that type of capability. So really what the takeaway here is we are market-focused. We are driving brand to achieve higher organic growth percentages.

Okay. Let's talk a little bit about new product development. Clearly, this is -- I'm thinking I've jumped at on a bit. Sorry about that.

Let's talk a little bit more of what a pipeline for growth looks like. Now this is a busy chart, so let me just explain it a little bit. We want to be in the top right-hand quadrant. Along the bottom is we got two axes -- commercial and technical feasibility. It doesn't necessarily mean that if it's got low on technical feasibility it's impossible. It just means it's not as quick to get at it. It means it needs a little bit more effort. It's still may be worth going after.

But clearly, when you look at that, we've got a lot of [touring] projects. We've got a lot of global expansion projects with current customers, and we got a lot of new product development underway.

Current projects, clearly, we say do more of the same. The risks, same customer base, same product technology, quicker to market. Geographic expansion is clearly following the customers, as Dave said, selling them the same technology, standardizing the offering that you've given them, using the relationships and leveraging the relationships so you've got to grow globally. And then new product development. Clearly, that allows us to create value, but it also makes it more relevant to the customers that we've got.

So what we said is the pipeline is robust for each sector. Our current customers and markets provide as an opportunity to continue to grow, and we're not leveraged on one single or a couple of projects if these don't come off the great stops.

Now let's talk about our main products.

Okay. High fee is the call to Rieke's ability to generate higher returns. Let me summarize this. What are we doing? What are the priorities?

We're going to continue to collaborate with our customers on a global basis. The fact -- and you'll see on the next couple of slides -- I would grow in that capability to develop globally allows us to act local pretty much everywhere to the major customers are.

We're going to focus on sustainability. Let me give an example of that because this is one of the things that a lot of customers ask is how are you supporting the global footprint sustainability. One way that we can do that is we're the leading supplier in volume terms of foaming -- hand foamers for developing nations like India and China. The use of hand foamers in hand hygiene reduces the amount of water that you can use, so clearly that's an impact on the environment. We can claim that technology does that to sustainability.

We also, as a priority, drive, what we call flawless launch on cost, quality, time. We do that because we want to give our customers the first to market advantage.

But how do we actually really make this a strategic advantage because everybody does product development?

We're the first in our class to offer truly global products development capability. We got facilities. Now in each region, we're investing heavily in India as we speak. We're out in a number of engineers in that region. Why are we doing that? It's a low-cost route to get very, very talented people into the business. The salary levels there are lower than they are in North America and Europe, but skills levels are, in a lot of cases, better.

It also allows us to be near into the customers on a global basis. We connect locally. We can communicate technically in a lot of languages. It gives the commitment to our customers that were all serious about being in Asia. We're not a Western manufacturer that's just going to go in and grab an opportunity when we can. We are committed to be in a global organization. And it allows us to develop 24/7, so we're pulling the systems in place to drive that.

What it really means is we leverage in the current customers that we've got. We will have to generate the relationships to grow the business. And it offers effectively a speed to market advantage.

Every company has a key customer less this is a sample of ours. What does it really say? We got blue-chip customers. We are fortunate. We are a significant supplier to a number of the people in this page. In a lot of cases, they're globalizing. They were also chasing consumerism so if we follow them we get a natural growth curve.

We can leverage that -- the ability that we've got. We've got long historical relationships with a lot of people on that page, and that allows us to grow in a relatively low-risk way.

That's the footprint as it stands today. What does it do? It creates a capacity for growth.

Like I said, if you look at the India, China, Vietnam, footprint, that's pretty unique. We got Europe covered and we got North America and South America via our Mexico facility. We got those areas covered as well.

It creates a cost and speed advantage. We're very agile. We're not committed to massive high volume automation anyway. We can move technology around very quickly. We can globalize group technology. We can take technology out of North America or Europe and put it into Asia. We can take technology and put it into Mexico. So therefore, when our customers come and talk to us and say -- can you supply in all these different regions a standard product? The answer is yes, we can do that. So that gives us a significant advantage.

Again a little bit of a busy slide, but this is really where the rubber hits the road. Let me talk a little bit about it. Let's start with the leverage current capacity.

As I said before, we commend premium operating margins. And this is really how we do it. We don't just go ask to grow for the sake of it. We're pretty selective on what business would pick up. But at the end of the day, we drive operating improvement.

So we leverage our current capacity. We've got locations in the right places. We've got factories that allow us to grow. There is space to do that today. We leverage this capacity as best we can. When we are actually looking for growth we look for opportunities where we can improve. An example of that is we've invested in hi-cavitation tool and we strive to cost down.

It also pulls it onto a bigger tonnage machines. It reduces the number of machines that we need in that facility so it creates space. At the same time, we're moving away from hydraulic to electrical molding machines. Believe it or not, the electrical molding machines use 30% less power than hydraulic so there's a cost benefit to us there, and it also again is more sustainable.

Going over to managing the global footprint as I've said, that is all about beating the right places to supply the customers that we have.

We use this location, the ability and the fact that we got the spread as a competitive tool. This is all about speed, global offering standardization. We optimize logistics and distribution. As I said, we got standard specifications. This is all about if we can reduce the total cost of supply for our customers, are they more interested in that or are they more interested in just you reducing that unit price. I'd suggest is in the total cost of supply.

So if we can give them the same product locally around the world, we can share in that saving, and that's one of the things I would drive.

And then we proactively managed our supply base. There's a lot of technology in there. We all look into more vertically integrate flexible manufacturing and automation.

Slide 11, as I said, we operate in a lot of businesses where there's barriers to entry and you need advanced manufacturing capability. And over the last few years we've been building that around the world. This is an example. You will see the China Haining plant there. You will also the automation that we put into Mexico and the facility that we acquired via line in Vietnam.

That gives us growth space to grow. But what it also does is it give us a new unique capability. We're the only company today that can supply customers such as Unilever the same specification and the same products in China, Vietnam, and the greater Asia area, India, and Mexico, and North America.

Now in the case of India and China, it means they can buy exactly the same product. We've got no import which is to pay. They can get it very, very, very quickly. So that's speed to market, that lead time becomes an auto winner rather than [anything] to us. And clearly, the more that we divert their attention to service quality standardization and the total cost of supply, the less time spent I'm talking about what the unit price is.

Okay. So to summarize, we have the resource and the ability to drive profitable organic growth in the mid-single-digit range. We know how to leverage our assets and capabilities to maintain operating income margins in the low to mid-20's. We are positioned well to realize our strategic aspirations of growth globalization and operating margin.

As Dave said, the real key thing is our people, the Rieke team, other track record of success of growth and high margins. And we've got the team in place to fully realize this going forward.

Thank you.

Dave Wathen - *TriMas Corporation - President, CEO*

Okay.

Kurt Allen - *TriMas Corporation - President - Energy*

Good morning, everybody. I'm Kurt Allen from the Energy Division. I've been in Lamons since 1997 and unfortunately I've been in this business not long as 30 years plus nowadays.

A little quick overview of the Energy Division itself. We predominantly are a manufacturer of gaskets and fasteners for the MRO business in the petrochemical and refining business. Obviously, we have some large long-term contracts with people such as Exxon and Dow.

We have, over the past few years, historically had a good run rate in terms of growth on the top line with 13% CAGR. My whole presentation today, the whole big deal about mine, in particular, is how do we recover the margins to the historical levels that we've seen such as back in the 2011 11.8%.

In terms of product range, where about 50% of our business is in fasteners. About 50% of our business is in gaskets. We do a little bit of hose.

In terms of the end markets themselves, you can see their distribution even though we have many locations around the world. We still have a big section of our business in the distribution end and that will be people such as Mr. Chairman, DNOW, Ferguson, those kinds of integrated suppliers.

That piece of the business, in particular, is a piece that would be affected by the oil price because a lot of those customers are using gaskets and bolts in the fracking fields. So that has taken some effect. We're still a relatively small piece of our business, but that's the one piece of our business that will be affected with the price of oil.

The other piece that's grown over the past few years is the OEM business -- the acquisitions of South Texas Bolts and Wulfrun. We do a lot more in the critical bolting end with customers such as GE or Aker or OneSubsea, and this is where they dropped the API20E critical bolting. You all heard about the failures of the bolts in the last few years in subsea applications, so a new standard has come out so we're heavily involved in specification work in that particular area.

Of course, refining and petrochemical is still a large section of our business, and our business is all about speed to market. The customers don't know what they need after until that morning when the pump breaks or the heat exchanger leaks, and then they need a product very, very quickly.

In terms of geography, you can see there they still were predominantly enough American market but now a larger piece in Europe. If you look to this slide, probably five years ago, it was a lot smaller with our non-North American business so we are actively trying to grow that piece of the pie at the moment in time.

Looking at the three key initiatives that we've got out here, of course, improving operational efficiency at all locations. That should really make the right products at the right facility and not at the wrong facility because that takes away margin. Optimizing our global footprint, you've seen we've been doing some work in that area over the last few years and increasing the sales in higher margin products. We have standard products and we have specialty products and those specialty products need to be a bigger percentage of our sales that increases margin substantially.

So in terms of improving operational efficiency, recently we've added some horsepower into our operational piece of our business. So we brought onboard both out of TriMas GSO and externally extra manufacturing guys who are working with our team to actually increase the efficiency particularly of our Houston operations, which are two -- one of Houston [hubby] where is a gasket plant and then the South Texas Bolt operation.

Also we're heavily involved in implementing the TriMas Operating Systems. That's something that we've not previously had in our organization. It's probably about halfway through the process at this moment in time so it's not fully implemented, but it's something that we're working on.

And then finally this SIOP process. What's critical in our business is the point I made previously that we need to make the right products at the right place. You know, we have low-cost manufacturing in India and in China. And if we've got a delay in that supply chain and therefore Exxon needs our products or Dow needs that product immediately, we have to end up making that product that should have come from India or China in our Houston operation. That degrades our margins.

So it's important for us if we implement SIOP correctly that we'll have a better supply chain. We'll have the right products on the shelf when the customers actually need it.

And over the last few years we've actually increased the amount of capacity at the branches. If you'd look at the Lamons branch 10 years ago, it was really just inventory and a little bit of manufacturing. Today they have a wider range of capabilities to be able to make specialty gaskets there and then. It's low volume, but it's usually the one where the guy turns up the gasket or the bolt at our branch in Philadelphia or whatever and say, "Hey, I need one of these. Can you make it immediately?" So we've really increased that capacity of those facilities so that we can supply those products immediately.

In terms of again operational efficiency, we have made several acquisitions over the last few years. So part of our strategy going forward is to really leverage up some vertical integration within the group.

Previously when we were supplying, let's say, gaskets into an Exxon plant, we would normally supply a competitor's product. But because we have the contract, we have control of it. So with the acquisition of Basrur in India, now we have our own brand of sheet materials. So part of our strategy has been over the last nine months and now going forward is to increase the amount of Lamons-branded products that we sell into our end-user customers. So we're actually leveraging up the sheet jointing plants that we acquired back in 2013.

On the right there you see isolation products. That's a new product for Lamons. These are used in pipeline where you need to isolate two flanges from each other where you need some phenolic-based materials and steel.

We acquired a plant in Denver. We added some capacity and now we're actively selling those products again through the branch network that we have in place -- extremely high margin business for the gasket industry.

Also the ring type joint, the bottom left there, we acquired a company in Fari in India. We've again increased our capacity so we can produce more standard, low-cost product in that facility, and then we've actually recently acquired a large contract in the US that we need a lot of these products. Again, we have to ensure that the product is made at the right facility.

And then finally on the bottom right, the PTFE sheet business, again we were selling competitors products. We developed our own plant in Houston, so again this is about the sales teams twitching out and specifying Lamons products where we would not only have sold the competitors products, which would have been a markup, and today now it's the manufacturing capability.

Optimizing global footprint, again you've seen recently that Lamons made an announcement that we're going to open up an operation in Mexico. It's very early days at this moment in time, but we have got a plant in Reynosa that we're leasing. We've got our management team in place at this moment in time, but our plans are by end of Q3, Q4 this year we'll start to have product that would have been normally produced in Houston, now produced in Mexico.

What that does for our operation, in particular, uncomplicates Houston. If you can imagine, back in 2009, we probably had 14 locations around the world and now we have 30 locations, so the complexity of branches placing orders in Houston has been increasingly higher every year that we add an extra branch. What this does for us it leaves Houston to concentrate on emergency-type product and anything that may be four, five days, and longer that a branch or a customer needs. It gives us the ability to produce that product down in Mexico instead of Houston, so it does relieve the complexity that we've got today in the Houston operation.

Also you've seen we've been doing some consolidation of locations. You saw what we've done down in Brazil, more recently we've merged down two locations between Rotterdam and Belgium in Antwerp together so now we have just a location in Belgium. We didn't lose any sales. It took some overhead costs out of the operation, and we moved most of that equipment into our facility in the UK in Wolverhampton.

Remember we acquired a company called Wulfun that's a specialty fastener company. We relocated them into a bigger location, and now we've built that operation to replicate Houston. So instead of before we would have made the product in Houston, we shipped it all the way to Europe, the Wulfrun, as we call it Lamons UK facility, has now got the ability to service the European branch facilities out of Europe instead of shipping it from the US, which is obviously quite costly when it comes to freight.

If you look at our global footprint as it is today, the yellow ones here are the hub locations with the one in China and two in China, and then now one in UK. You see there's two in the States and one in Mexico. The two in the States are Houston and the other one being the Denver facility. This is a small location, 40 people, around for producing the isolation kits. So that's just simply making those particular products.

You can see there are things in consolidation. You'll also notice there is no location on there in Brazil. We've now decided that we will still service the Brazilian market but out of our Houston facilities through distribution and through a local representation instead of having our own assets on the ground.

Finally, the third leg of our strategy is to increase sales of higher margin products. These are the engineering products. It's a relatively small percentage of our sales today, but it does offer the greatest amount of margin. So our plan is here we're going to take some of our best engineering product sales guys and use those as regional operators that will work with the rest of the sales team to really promote that product going forward.

Also the other deal that we've put together beginning of this year is Lamons, in the past, has always been a [ME2] kind of company. Somebody would develop a product and then we would basically copy it eventually. We now are trying to develop our own new products for the marketplace so we have a team of specific engineers in Houston, actually out of Europe, and all they are doing is looking at developing new products for applications and problems that customers see in the field.

Also we're doing a lot of education with our customers as well as younger engineers coming into the marketplace who have no history, so we're doing a lot of work with respect to training them with new products. We've built trading locations both in Houston and in our European facilities.

Looking at some of the engineering products themselves, I don't expect you to really be able to see these. The gasket that you see thee is used in HF alkylation. That's a really hazardous chemical used in refineries. Normally, they would have just one gasket, one seal. This is a special product that's got a dual-seal. So in HF alkylation, the benefit for the customer there is you got two seals instead of one. Also, there's usually corrosion on the ID of the pipes and sometimes they have to cut-off those pipes. In this application, it seals us from the bolts. There's no need to actually cut-off the flanges themselves.

The bottom right picture itself is the intelligent bolting that we put in place. This is where now we developed a product that customers can use it in heat exchanges, critical applications that are able to go back up to three months or six months and know whether they've got a bolting issue because obviously, through time and through temperature, bolts tend to lose that stress so this way instead of just seeing a leak, if the customer can put a gauge on the end of the bolt and know exactly what load there and then it can increase the load to prevent a leak. So it's relatively new in the marketplace, but we see a lot of it in critical applications in the refineries and chemical plants.

Takeaways, obviously drive profitable growth. You know, as I mentioned here, we've done a good job, I believe in growing the top line at Lamons. We need to do a far better job when it comes to the margins, so we need to recover the margins back to historical levels in that 10% to 12%, which is the plan that we have in place.

The other piece to take away from here, in particular, is from a people standpoint. We have some talented people within the organization today. We've got to retain those people. We also got to provide them with a lot of opportunities to actually grow within the business itself. So basically, the plan for the Lamons organization is really to recover margins back to historical levels.

I think that's it from my standpoint. I think we've got a question and answer, so I think David Pritchett, Dave Wathen, and myself are up here.

Dave Wathen - *TriMas Corporation - President, CEO*

So between us, we intend to -- or answer any questions you've got.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

So if anyone has any questions, if you just want to raise your hand, we have people with microphones.

Dave Wathen - *TriMas Corporation - President, CEO*

In particular, I'm thinking about packaging and energy for total TriMas. We'll do this again with the other group later.

QUESTIONS AND ANSWERS

Unidentified Audience Member

Okay. I guess, just to start us off on questions for Dave. With the expansion into Vietnam and China and other places, how much capacity do you have and what are the contribution margins of the new product coming in? Are they at the same level of profitability that the accords in that currently?

David Pritchett - *TriMas Corporation - President - Packaging*

Yes, the -- I think overall with the changes that we've made on increasing the tonnage of machines and then opening up some factory space, we've got about 25% free space capacity. It's not necessarily though in the right areas. So I think in Asia we're looking really good.

We've got the Haining facility. It's got room for growth and so is the Vietnam facility. We could easily add growth to Vietnam facility. The reason being is we still, after the acquisition of [Almanac], we still source quite a lot from third party China manufacturers, which, in the next couple of three years we're probably going to fix that. So that's going to take some of that capacity, but we're looking pretty good from a growth perspective in Asia.

As far as margins, yes, I think one of the things I've talked about was we don't really just go after growth. I mean, we could easily say we're going to be in double-digit growth and the markets begin to do that but there's a dilution effect, going after everything, and so we're really selective on what we're actually taking on.

So, yes, the margins have got to stay in those low to mid-20's and that's the ambition. And that's more of an important ambition actually within the growth line. The growth line will come. It comes from the customers that we've already got with the products that you know in our [global chart].

So I would suggest that over the last 10 years as we've developed these specialty products, they've got a long way to go before they mature. And they were already at the right margin level, so I can't fully say they're going to change.

Unidentified Audience Member

Okay. And just a follow-on to that, I'd presume that the margins in North America and that that's where your best margin business is.

David Pritchett - *TriMas Corporation - President - Packaging*

No, no, no, it's not. It's pretty evenly spread. I'm not going to go into too much detail. It's an -- let's take lotion pumps, go onto hand you know hand soap.

So the price in the market is higher in Asia than it is in Europe say in Christmas, so it really depends on what the market dynamics are. So it's not easy that all the margins in North America; it's not that.

If you look in the profile in Europe, the German and UK business are equally the highest margin businesses we got anywhere in the world that focused on very, very timely issues in the industrial sector as they're a specialist that they supply into, and then the UK facility is predominantly healthcare.

Unidentified Audience Member

Okay. Who are the competitors outside of North America and Europe like in Vietnam or in China that you're able to get a customer like Unilever to...

David Pritchett - *TriMas Corporation - President - Packaging*

Yes, in really think it's a good question actually because when we talk competitors we always tell Mead-Westvaco, we always tell Aptar. And then the industrial side Greif and Berry and people like that. They're not really a concern of ours as we go forward. What we're concerned as we look at China, we've got some big dispensing businesses there, TPPC, CLC, Majesty, people like that. That's why there's a lot of footprint is so important because they've got to come west to what the outstanding products at a quality level to be global customers will be using Unilever and then some massive pretty tough order for them, just to build out credibility to do it.

What we've done is we've gone into their market space and we can manufacture their cost base that allows you to be competitive. So leveraging our locations in Europe and North America allows us to be -- to taking that on, which is why I've been going forward. We'll start to in-source some of this stuff [by inviting] third parties. What I don't want to do is create or help create the future competitors. No, I won't do that.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

Next question.

Unidentified Audience Member

Yes. So, Kurt, on energy, there's a number of margin expansion initiatives in place. If you were to kind of rank the biggest drivers for that marketing expansion perhaps in descending order, what would those be?

Kurt Allen - *TriMas Corporation - President - Energy*

Probably the first one would really need to be Houston operational efficiency. Definitely we are using too much labor in Houston today to produce products that should have come in from overseas, so that's the number one [areas] reason we've added extra horsepower within the business itself.

I think the engineering product expansion, which is a relatively small amount of our business today would probably be second on that list. So we spend time and effort to trade up with sales people who they totally understand the product that we're trying to put in place where to go, what the applications are.

I think the three sales guys that was highlighted are really the specialists in engineering products were given in the regional basis will help us jump out pretty quickly.

And then I think the third point there is really obviously Mexico is going to help Houston -- less complicated. And as I said we started in 2009 with 14 locations, and today we have 30 locations, and it got extremely complicated in Houston.

And that's why it's critical that our locations in India and China are supplying to Houston, or to Europe on time that those locations don't make the product that should have come from low-cost countries because you know the next time on [one-fair] product, meets the standard items should have been made overseas, if we don't have it on the shelf, we really have to make it in Houston. You really don't want to open that up to the competition.

So part of our tact now is how do we make sure we got the right products in the right places. And I think for the first time with the [triumph] that we're implementing there is an opportunity to do that.

And I think on the third point is the acquisitions that we've done with India on the sheet jointing, the PTFE plant we built in Houston, and the isolation sheet plant that we've got in Denver driving those products through the facility, through the branches definitely will help hitting on the branches. Some of them are relatively smart, almost like three or four people. If we can add an extra $0.5 million to that existing asset, it really drops the bottom line very, very quickly.

So we're happy. We're trying to push that to the location at this moment in time.

Unidentified Audience Member

And then just a follow-up, so when we think about the growth outlook, where are we today in terms of the mix between specialty and standardized products and how do you see that really changing over the next year to two years given the outlook for the turnaround activity.

Kurt Allen - *TriMas Corporation - President - Energy*

Yes, okay. So let's take the turnaround activity. I think it is lighter than we expected in Q1. We are aware of the strikes that are occurring in some of the refineries across the US, and that caused some of the shutdowns in plants for Q1 to go into Q3 or Q4. So I'm reasonably somewhat optimistic about Q3 and Q4 because of the pushback.

But now that our business has changed somewhat, when I think about especially living standards, the other area of growth that we really got into in the last two or three years is the specialty fasteners business is not shutdown related, this is OEM-type business where people are building plants to go subsea.

And taking down the larger manufacturers such as Aptar and OneSubsea and trying to gain global contracts with those guys means we are less affected by the shutdown activities that if somebody pushes a shutdown back from this year to next year, that bad for one of our branches because that could be their biggest customer and they're expecting a good year.

So nowadays, when you think about specialty products it's not just shutdown-related. There's now OEM that we're trying to build our business, particularly on our South Texas Bolt and Wulfrun facilities in the UK. And some of those end-users have got a nice build rates. They're looking up two to three years rather than two to three months like our normal customers.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

Next question.

Unidentified Audience Member

Yes. So just on the energy front and the margins, what is the trajectory? How should we think about trajectory to the three-year targets? Is it something that we can continue to see kind of a linear improvement throughout the course of this year? Is it a 2016 thing or is it kind of backend-loaded in...

Kurt Allen - *TriMas Corporation - President - Energy*

I think...

Unidentified Audience Member

...the 2017 and 2018 timeframe.

Kurt Allen - *TriMas Corporation - President - Energy*

... I think the 2015, 100 to 200 basis points would be a tag at both. I think you can look at it as being somewhat linear. Mexico will not come in full rate until 2016. And that even Mexico operations takes longer than what I think we first anticipated going forward. We still continued looking at rationalization. If branches aren't profitable in a certain market, and there's no planned growth and then we'll look at eliminating that branch.

There's still opportunity to have some branches. There are some pockets of markets around the world where we look at it and go, hey, I think we can get a piece of business.

And some of our global contracts that we've had in the past that is now in use for a three-year period, I've seen more activities by the corporate people on those global accounts really pushing the sides to utilize the contracts more than they've done in the past. But I think after this year, it's going to be a linear-type relationship with that 10% to 12% in three years.

Unidentified Audience Member

And then just one last quick one, what are you seeing kind of up to the minute, what are you seeing from your customers, what's the behavior so far since you guys reported? What's kind of the union is on customer behavior and how they're feeling in this environment or kind of some mixed dynamics in the oil-related space? So what are you seeing from your customers?

Kurt Allen - *TriMas Corporation - President - Energy*

The oil-related business, our business is relatively small. It's just the fracking that goes on let's say in Dakotas or in the West Texas, I still see that not being a quick turnaround. I'm sure Len will talk a little bit more about that on the other side. On the refinery side, we had a glitch in Q1 because of a number at least four or five shutdowns that were pushed from Q1 into Q3, as I mentioned, so I'm optimistic about taking that business.

I think from a European standpoint, we've got the opportunity on these global contracts and then finally to take some bite in that marketplace that we've not been previously.

I think the Wulfrun business, in particular because they are heavily into the OEM, this API20E, is [pretty convolting], they are starting to see a lot of growth in that area, but the South Texas Bolt wasn't even in that business.

So when we acquired Wulfrun it's really meant that we've got a global platform shaped some of these larger sub state companies. So we're on the back of Wulfrun now, South Texas Bolt in Houston has been able to get on the specifications of the same manufacturers here in the States. At least they're optimistic about Q3 when it comes to the shutdown activity that's going.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

Additional questions? Okay, okay. There's time for a couple of more and then we'll get the presentation moving. And I just wanted to let everybody know that when we move into the lunch room we'll actually have tables that are identified by each segment. So if you're interested as well with Horizon Global, you can kind of quickly want to sit and be able to ask additional questions at that time as well.

Anybody else?

[Steve]?

Unidentified Audience Member

So with both of you talking about the need to move to low-cost countries, can you -- is there any way to quantify what the EBIT [bet] that would be for everybody if you had the ideal footprint right now, and realistically how long will it take to get the footprint optimized?

Kurt Allen - *TriMas Corporation - President - Energy*

From an energy standpoint, obviously we still got a large manufacturing plant in China today that makes [power one uptick]. We have to look at that as being -- what it's going to look like in two years' time as the pay increases in China, and we don't necessarily -- we're not selling into China, it's really just all coming over into Europe or into the Houston operation. So that's one that we have to consider.

As we grow Mexico into more products and we get a good run rate there, that means we've got into the ballpark as to should we expand Mexico, should we expand into India? We have two service today. Should we consolidate engineering into one facility? Do we need to add some products that we're making somewhere else into the Indian operation?

I see from my business, at this moment in time, India looking like it would be the expansion area at this moment in time based on labor rates.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

If there is someone...

Dave Wathen - *TriMas Corporation - President, CEO*

Steve, if you're asking a question about -- for the total company and current, will you step back on what that -- everything was perfect, what we'd look like.

While we are relatively low direct labor percent of sales sort of a company, sub 10%, we're still a couple of percent, I'll call it ideal of where it could be. Nobody ever gets that whole end game, but there is an opportunity out there in front of us. We also look at what - if all of our unit rates were perfect what we'd look like. We've got clear opportunities to go after on that.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

Time for one more question.

Dave Wathen - *TriMas Corporation - President, CEO*

We are convinced. Bob will show you we are convinced. We can be in the pack on premier industrial kind of markets.

Unidentified Audience Member

Kurt, sorry, if I missed this but can you just speak to the IT systems that you have right now and whether those have been rolled out across all these recent acquisitions you've made and...

Dave Wathen - *TriMas Corporation - President, CEO*

Quit smiling, Kurt.

Kurt Allen - *TriMas Corporation - President - Energy*

Yes. Our North American locations are all our ERP systems, sideline 8. Most of our locations overseas that weren't purchased within the last three years are on sideline 6, which is still the same ERP system but two levels down. And then there are more recent acquisitions such as Wulfrun, Thailand, India industrial are on their legacy systems.

We have a rollout one over the next basically six months to have them all on the same ERP system, which is sideline 8, the first one being Wulfrun in the UK because that's our next biggest location, which will start feeding into the other branches in Europe that are on sideline 6. So we have a rollout system over the next six months to put them all on sideline 8.

I think overall the system is a good system. It gives those that are on sideline 8 and those that are on sideline 6 have the ability to look in each other's inventories, which also helps us because there's no point asking Houston to move something if Belmont has it and Lake Charles needs it that way we're going to ship it all the way from Houston. So that is the advantage of certainly those locations being on the same system.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

Thank you. At this point, we're going to turn the presentation over to Tom Aepelbacher, the president of Aerospace. Tom?

PRESENTATION

Dave Wathen - *TriMas Corporation - President, CEO*

The question (inaudible) of our system, our style is we will go into a one or two businesses at a time and do major projects. We've got big systems projects going on, upgrade projects in both packaging and energy, just by [Apple stances] where we're at right now.

We've got a lot of work to do in that area kind of like every company you've ever seen and moving on it.

Tom? Tom is another, for me, talking about great people, a chance to give people to rise in the next challenge. I'm proud of what Tom has done for us over time and what he's doing for us now, so it's great.

Tom Aepelbacher - *TriMas Corporation - President - Aerospace & Defense*

Thank you, Dave. Thank you. As Dave said, I'm Tom Aepelbacher. I'm the president of TriMas Aerospace.

So I've been with TriMas for 12 years now, and I know that I have talked to this conference before a couple of different times in a different role. I was the vice president of the Global Services Organization, the organization that helps co-create and develop the TriMas Operating System that many of the presidents are talking about today.

And so you'll hear about the Lean, the Six Sigma across everybody's presentations and that was all part of our initiatives that Dave created back in 2009 when we joined the company.

So with the Global Services Organization we were really able to develop that and it's great to hear everybody's presentation today how systemic it is across the entire enterprise.

So as I became the president of TriMas Aerospace in August of last year, I was able to take that skill set with me. I've been in manufacturing and operations for over 30 years, and I bring that into that operation so we can really grow that top line and also improve that bottom line. So throughout the slide presentation I have today, hopefully you'll see our story as it plays itself out.

As the first slide says, we are a provider of highly engineered machine components and mechanical fasteners for temporary and permanent applications in fixed and rotary-wing aircraft. We have a bunch of samples back here in the back of the room, which has our rivets, has our blind bolts, has our OSI and composite lock rotary fasteners, and really at one of the breaks I can make sure I can walk you guys through some of those, but we have some of those products here.

What's really nice about our portfolio today is we're expanding the fastener product line to increase the content and the applications per aircraft.

The weighting as positive end markets, we're seeing great airplane build, like Dave said at the very beginning of this presentation. We're seeing composite aircraft. We have lots of applications for the composite aircraft.

And automated assembly, everybody, all the OEMs are really going into machine, putting in the rivets, and the blind bolts, and the fasteners onto the aircraft with the type of machines, integrated machines. We have the applications and the products that actually fit right into those machines, those automated machines which makes it really nice.

We don't feel that we're going to get significant market share in these major product lines as well. You'll see on the pictures below you'll have rivets and blind bolts and even have some of the machine housings even in the back of the room for Martinic. Martinic makes these very large housings for engines and APUs, for UTC, Parker, Honeywell -- places like that.

You'll see in our business we acquired Martinic and Mac Fasteners in 2013 and Allfast in 2014, which made up the portfolio. As a lot of you guys remember, back up until 2012 when we talked about aerospace, we only talked about Martinic. Now we actually have a balanced portfolio of the industry to go market. So this combination of businesses builds scale and importance to our customers.

When we talk about the product, as we get those acquisitions, we grew from just the blind bolts into the temporary fasteners. We added the solid rivets, the screws, the bolts, the blind rivets, all the different applications that our OEMs and distributors want.

We now have a full suite of blind fastener products, which creates more customer availability and opportunity. We're also working on the qualifications. What's really important in the aircraft industry is you have to have qualifications. You have to work side by side with the engineers at the large OEMs and develop those applications and those qualifications. Qualifications just merely means that you are qualified to produce a product to their specifications on that aircraft. Once you get spec on the aircraft, you own that whole for the life of the product unless something goes wrong or they make a major structural change.

When you talk about the channels, it's very important to understand a channel distribution OEM. You see it's a very nice mix. It's kind of half and half. But I also wanted to point out to you in the distribution channel, distribution also serves the OEM. So we serve the OEM through distribution, and we serve them direct.

And it's also important to point out that in the distribution channel that we also serve the aftermarket. Lots of people always want to say distribution is aftermarket. In our case, no, it's not. Distribution is both OEM and aftermarket, so that's the differentiator.

And we are seeing a lot of volatility in the distribution channel today because as more companies, more of the OEMs become more direct in their buying power, distribution is starting to shrink a little bit, so they're not carrying as much inventory. So we're seeing some swings just on the mid-max program that the distributors are set-up.

So I'm going to talk to you this morning about three different initiatives, one being the launch and leverage of our aerospace platform as we are today. I'm also going to talk to you about further develop new products and expand our product lines. And I'm going to improve the operational efficiencies of the locations.

So first thing I'm going to talk to you guys about is our new companies. You guys can see we have the TriMas Aerospace logo right in the middle there, and then we have our four companies that I talked about earlier. So all four companies, we're going to keep the brand names. The industry enjoys the brands, they like the brands. They've been around for 40, 50, 60 years in some applications, so we want to keep the brands, but when we operate we're going to be talking about TriMas Aerospace.

We're actually launching our new company at the Paris Air Show in June of this year. So if you happen to be in Paris in June, which is the nice place to be, you could stop by our booth and we're going to be surrounded by all the big OEMs and the distributors, so it'd be a very nice setting.

Also, we created a new organization structure, which is leveraging our four companies. We hired new sales and operational leads across the platform, which work directly for me, hand-picked industry experts that's been around for a long time.

We created one sales force where you had this four different divisions you had or different faces to the customer, and now we have one face to the customer called TriMas Aerospace, which is a great thing to have.

Purchasing power. Every individual company used to buy on their own. Now we have unified buying. We use national contracts. We leverage our raw materials. We leverage our logistics. We leverage our tooling spend -- anything that we can possibly leverage we do now times four because that volume, you get a better deal.

We're going to utilize the total capacity to produce our products. We have four operating plans now so we can utilize them and qualification support by the engineering teams.

All the engineers have been around for a long time, but they've been independently working on their own products. Now they're working on each other's products, and that innovation has just been tremendous across the vow. We just really, really enjoy it.

So I wanted to talk a little bit about how we're going to leverage these great companies that we have now. You can see on the complexity side, Mac Fasteners make standard products, these are with [tightened] products that hold the cargo up in the aircraft. It's in the cabin areas, holding seats down, things like that. 12-point fasteners for some engine applications, that's what they do -- less complex type of products.

It goes all the way up to Martinic. Martinic makes very high-end housings, very expensive for our major customers. And in between you'll see we do all the solid rivets, the blind rivets, the blind bolts, and temporary fasteners. And Allfast and Monogram has the Composi-Loks, the OSI, very lean fasteners.

And what this does at this portfolio, when we went out and bought these companies strategically, we have a broad range of fasteners now. And with this broad range of fasteners, we have very little overlap so did a really good job on the buying power of going after these acquisitions.

And independently, all of these divisions have the same type of a customer base. Now with our synergies of bringing one phase to the market, we're now serving all these top tier OEMs and the top tier distributors in all these cases. So we feel that this portfolio and this launch of this new company called TriMas Aerospace is really going to pay dividends here in the future.

My next initiative I want to talk about is all about further develop the new products and expand the product lines. The fasteners has been in the aircraft for a long time, and I know everybody knows that a lot of the OEM customers are going to composites. So it's important they now all go into composites and it's going to be continued to build planes that are not composite material. And there's going to be planes that are built with those materials and to the aircraft.

What is nice about our portfolio is we have products that actually serve all of those type of applications. We think there's great growth in our new collar innovation that we started just a couple of years ago in Arizona. We also think that the solid rivets -- we are now solid rivets on every OEM out there in the world. We want to be on the solid rivets on every single company in the world that is not building composite aircraft.

The blind rivets, also the same way. So when we went and bought Allfast, we picked up solid rivets, the blind rivets, and the pull-type blind bolts. The current customer base is very lengthy, but there's still more market share to get as you can see on this grid.

We're also going to further develop the new products and expand our product lines. We're going to do that for product innovation. We are retooling our R&D facilities. We actually have a little expansion going on in our Monogram facility right now, which is including a new state-of-the-art R&D lab that we're putting in place, and we're going to have a collusion of all of our companies getting together and working on the type of new product innovation, and develop and protect intellectual property -- very, very important for us because these are high-margin businesses. We like our IP, we protect our IP, we work with our legal yearly to make sure that everything is up to speed because it's very important for us in the future and we're going to continue to develop that through our R&D labs.

To complete development of new blind bolt for future launches is also one of our initiatives. And anytime that you can continue to develop new products for composite aircraft, which we have on the drawing boards today is always a very good thing to do because, as we all know, light-weight aircraft, like Dave mentioned earlier is exactly where we need to go. So we are posturing ourselves for that as well.

Our collar programs, we have many collars that are qualified. It took a while to get these qualified through the major OEMs, but once they're qualified you've got those and they start buying them from us. We're seeing lots of areas coming in on collars right now. We've been approved to qualify six more collars just recently, and it's just great growth in this area for us. And we're very, very proud of that.

Mac Fasteners is a standard company, but the more and more we can put them into the travesty of the OEMs is also going to be beneficial for us and we [posit] ourselves with our new platform.

And we're also going to expand our coverage. There's a lot of rebuild going on over an aircrafts now over in China and Asia, so as they grow and they're going to start growing their own airplane company over there as well called [Komad]. And as they grow over there and need new rebuilds for the major players here in the United States, we're going to continue to try to sell them at distribution channel as well. So Europe, obviously, with Airbus over there and a lot of other Tier 1s we're going to continue to grow there. So the main way that you'd grow is you got to put people on the ground that wake up in that region every single day to do and work for you, and that's what we're going to do.

We're also going to improve the operational efficiencies in all the locations. Now this is kind of my sweet spot. This is what I've been doing for over 30 years, and I love this part of the business. As you can see, we have a picture here of our newly vamped floor in our Monogram facility that has been there for over 60 years. And even though we took all the equipment, there's no reason that we can't maintain it, we clean it up. And we put a 5S program in there and we run the heck on that. That's what we're doing there.

We're also going to leverage the manufacturing expertise at Allfast. Allfast has been an industry icon out there by entrepreneur Jim Randall. And Jim Randall is still an advisor to me. We still talk every single day. He helps me with my manufacturing methodologies and we're using the Allfast methodologies across the entire spectrum, so I think it's very important to say that.

Also we're going to increase the sales at Mac Fasteners and Martinic as we continue to increase their efficiencies and margins. These are the smaller mom-and-pop type companies in the past that we've grown to a very, very nice segment. And we put all the TriMas operating systems in place including our manufacturing centers that we get most of our work of.

And we also have key manufacturing processes for profit and speed, so we're constantly working on those. OEE is one of our calculations that we use to continue to drive efficiency in our factory. And because we have four businesses now with different general managers, I can share best practices not only from my past but from all of them as well, and they're all coming together and we're sharing our best practices -- very important.

So some of the major tactical things that we're doing, the major tactical things I would say is the TriMas Operating System in the factory, which is basically our Lean, Six Sigma, 5S programs that you'll see at any one of the TriMas locations when you go, including all the aerospace ones.

We'll attack on all of those drivers to improve our on-time delivery. As you'll improve on-time delivery, you get in-quarter sales, your customer satisfaction, and life is good. So we're constantly concentrating on that.

We have implemented a strategic manufacturing center in every one of the locations. You can see the one picture down at the bottom, you can see where the red and the green are up there, that is basically telling us that we're not tasked on different types of areas in the factory. We meet every single morning at every one of the factories and go through all of our performance indicators to make sure we are on track.

Just like Kurt talked about in his presentation, we're revamping our SIOP program, which is our Sales, Inventory, and Operating Plan. And that's really just doing capacity planning to ensure that the capacity is utilized across higher segment.

And our Manage for Daily Improvement is basically our walk-around board. So every single day, every single hour, our boards are filled out on the factory floor so we can walk through and make sure that we're producing for our customers what they need and when we need it.

So my strategic takeaways that I have for you guys that I kind of walk through a few of them and ones that I really like you to remember are is we're leveraging our combined platform across all four of these segments right now.

We are collaborating with our customers to develop value-added, innovative products for future aircrafts. We are actually -- we have put on new people to actually work out there with the engineers on the factory floors elbow to elbow so we can make sure that we optimize our footprint on their aircraft. We are ramping-up our collar facility in Arizona by obtaining additional qualifications that I just talked about.

We're enhancing our margins. Everybody wants to talk about the margins in aerospace as they should. We are planning, as you see on the right-hand side of the column, operating profit margin of 24% to 26%. That's what we're looking towards.

We're leveraging our synergies from our acquisitions, and we're driving our Lean and continuous programs across the entire platforms. We're going to optimize our resources and capital allocations so we've added a lot of management horsepower and we put a lot of the right people on the bus to run all of our businesses and sales.

And the other great thing that I've been in TriMas for 12 years and under Dave's leadership, I would tell you we always strive to be a great place to work. And what that is it's setting the tone and tenor and the culture of enthusiasm and energy in everything that we do. We want to win. We want to win in our aerospace division. We want to win our new contracts, and we want to have a great place for everybody to work and create a great culture. And I would tell you we work on it every single day.

As far as our three-year targets go, we are still projecting mid to high single-digit growth complemented by acquisitions. We are going to continue to do that and our operating profit 24% to 26%. So that's all I have for you today. I really appreciate the time, and I look forward to meeting you guys at lunch.

Thank you.

Dave Wathen - *TriMas Corporation - President, CEO*

Thanks, Tom.

I'm going to introduce the Engineered Components segment because they're both businesses segment, but then Len and Jerry will talk about the individual businesses.

You've seen the standard format charts. I would summarize these businesses as absolutely in the middle of the ideal -- hard to design, hard to build, important to our customers. They have a little bit of the last man standing kind of strategy, too, that we have continued to be winner as others have dropped out. And you'd see that even in some of the acquisitions we've done, but we've consolidated into these businesses, which have been very good for us.

You can see the financial snapshot, a fourth of TriMas, a fourth of our operating profit. These have been very great performers for us. They have great track record. And I am convinced they will continue with that kind of a track record.

So our market positions, stick to what they do well at, carefully expand some product lines, go into customer if they understand well. And these are certainly business that take experts to run them and you're going to hear from a couple.

Strategic priorities. Strong track record on profitable growth, keeping after our margins to keep ourselves in that 14%, 15%, 16% kind of a range on operating profit. We'll spend the CapEx needed in these businesses.

There are opportunistic acquisitions that come along. Jerry will describe a couple of those. They're almost unbeatable in returns. And these are those kinds of businesses that we count on steady performance plus we capture opportunity as we can, and it's vital that we have the expertise we need. So you can tell I like these businesses.

Len? I'll ask Len to share what he's got going in the Arrow business.

Len Turner - *TriMas Corporation - President - Arrow Engine Company*

Good morning. My name is Len Turner. I'm the president of Arrow Engine Company in Tulsa, Oklahoma. Arrow is a manufacturer of a broad line of oil and gas production equipment for oil and gas markets around the world.

You'll see here on the slide an overview of the Arrow business and what we do, the first one there showing our sales mix. Our core products that we started out with several years ago are basically our engines and parts. The engines are used mainly to power pump jacks and power compressors in the oil fields around the world. They run off natural gas from the wellhead.

We (inaudible) expanded not only the engines and parts to go into the higher horsepower areas as the shale plays have come in. We've also added some completely different product lines such as gas products and compression. We feel it helps us diversify over time and reduce our cyclicality to some extent.

The other graph there shows our sales by destination, so if we're drilling the wells within North America. Most of our sales are also there to the US and Canada. We do some sales outside the US, mainly in Mexico, Peru, Indonesia and Venezuela. Mexico, in particular, is a pretty big part of our business in any given year, however, it's been off for the past year and a half.

The third slide there shows our oil and gas split as far as where our products are used -- oil versus natural gas. And we're right now about 50/50 and we've been moving more towards natural gas for several years again to kind of help us diversify (inaudible) strictly the oil-related business.

As you might imagine, we've been directly impacted by a reduction of drilling activity with oil prices being the low 40's earlier this year. Since recovering around $60 a barrel today, we've been focusing on cost and maximizing our resources in the short-term until the market improves.

We expect recovery of our market later this year as we hope oil to be closer to $65 to $75 range late this year. We do have upside potential in the back half. And I think it's important to point out that we've grown considerably over the years by well-site content, and we'll continue to do that regardless of oil prices.

Arrow's key initiatives, of course, now it's right-sizing the business to reflect our current market demand. Continue to lower costs and maximize our resources until this market recovers. We continue to drive low cost sourcing efforts, productivity and Lean initiatives.

We built on a broad range of quality products. We've continued to grow through additional well-site content over time. We've tried to additionally highly-engineered products to our product line, particularly through the gas products division to decrease competition and increase our margins over time.

So lastly, current focus, maximizing profitability and cash flow in this downtime in our market longer-term focusing on diversifying our product portfolio and adding additional well-site content to grow over time.

Jerry Van Auken - *TriMas Corporation - President - Norris Cylinder*

Good morning, everybody. I'm Jerry Van Auken, president of Norris Cylinder. Maybe just to describe our business, the simplest way to the state of this that we love gases. And when that gas has to be transported somewhere, that's where we participate. The gas companies are going to try and do that in a portable way. They're going to do it in bulk gases. We do it on the portable side. That's where our niche is.

We've come off of a pretty significant acquisition strategy that has been very positive for us on the product lines. As most of you are aware, we did the acquisition of Taylor-Wharton back in 2010. We bought a portion of that business, if you will, out of bankruptcy. It involved also some equipment that we [really] would be we'd be getting for future business, and I'll talk about that a bit.

And we also did the acquisition of Worthington, which was a [Toadberry] facility and again consolidated both of those operations into our Huntswell operation and also leverage some of the existing facility in Longview, Texas. The product lines really split out into Department of Transportation or DOT cylinders. Those are domestic cylinders that are used in the US, a little bit outside of the US as well, but primarily a domestic product.

Additionally, we have settling products. Those are low-pressured products that are used in the gas-involving industry. The high pressures are 1,800 up to say 7,000 psi. There's a variety of different kinds of products that those are used for. And we also have ISO cylinders. ISO cylinders consider those that are used in elsewhere in the world. They're a higher-strength steel, higher pressures, better form factors for the industry in the international marketplace.

It's a highly regulated industry so the approval of these to Dave's point earlier is significant. There's sometimes six months to a year to develop a product to put into the industry. It's a industry that has to be very safe.

Our end markets as you can see have expanded as well through the acquisitions as well as the companies that we participate. Well, we have all the major gas companies as part of our portfolio. We need to understand that's great domestically, but it's great also internationally because they have an international presence over dealing with those customers and the same people. So we think we know our customers.

We deal with consortiums, buying groups, mom-and-pop, oil and gas distributors. They're hundreds of them throughout the country that consolidate and try to leverage and buy, let's say, Norris Cylinder, but understand we deal with each one of those companies individually. Pricing would be structured, but the rest of the relationship is an individual relationship. Those are great channels.

We also have other channels with OEMs into the fire suppressant market as a good example of that where our cylinders are put into utilizing systems, not the typical fire extinguisher for building systems or for vehicles.

So we think we have great channels to those markets. We have a number of niche markets. We're even into aerospace.

Someone mentioned airframes. All the old airframes still have our cylinders and they acquire our cylinders so when they go into service and they have to be redone in that frame, that same cylinder has to go back in. And so we do participate a little bit in that.

And as [you aggregate] basis, we are, at this point, the only manufacturer of high-pressure steel cylinders in all the US and North America. Quite frankly, South America, too, because there's only one small operation that's occurring in South America you don't really compete. Logistically, that's a great strategy for us as we try to compete against our other competitors in the international space.

To protect our domestic market we, of course, filed an anti-dumping case with the International Trade Commission back in 2012 and we're successful. This was against the Chinese imports coming into our country, and we were able to achieve a 23% duty on both the dumping duties and the countervailing duties. That's a five-year deal that we obviously we'll pursue in the future -- the renewal. And we've been challenged that already and been successful. And that's really helped to protect our domestic market. That's not to say that we don't have competition and certainly the dollar is a factor. And what happens with us whether we're exporting or facing competition comes into the US, but we have them very selective on the business that we do to grow.

What we're doing as far as going forward is capacity. The acquisitions, the equipment that we did acquire is now being deployed and strategically this is a big deal for Norris Cylinder.

For a small investment that we've made during the acquisition, we acquired equipment that if we were to buy brand new, for example, a billet forge operation in Longview, Texas might cost us $25 million plus, and we're not doing it for that. We already have that equipment and we're in the process of deploying it to actually take advantage of additional capacity that we see we need in the future. That's really a real positive thing for us going forward.

This acquisition is really leveraged in Huntsville on its small high-pressure business. We've put in a lot of automation in order to make that a viable business. Small cylinders obviously have smaller margins. Large cylinders have larger margins. And we've actually been able to grow our margins on our small high-pressure cylinders.

We continue to develop the new markets. I mentioned the fire suppressant market. Another area is hydrogen - hydrogen fuel cells. Most of you have your cell phones on and you depend on them to be working all the time so you don't miss your messages. One of the things we do is supply hydrogen cylinders into a package for a fuel cell that is a backup for that cell phone power when it does use power. So it's a great way to market. And we're pursuing more of that stuff with our ISO products, lighter-weight designs and better form factors for the industry.

And last but not least, on the productivity side, we continue to really optimize our footprint. We're building some vertical integration of our tooling suppliers. Billet piercing cylinders is a high perishable tool need, and we have a local vendor that supplies to us and helps us have the speed to market, which is our real strength. And we'll have a high-quality product that is quick to a marketplace to compute against our competitors, which are again mostly external.

So we're also signed up and very much into the TriMas Operating System. It's been very good for us. We've gone through every part of our operations in both Longview and Huntsville to really streamline those processes and it's really started to pay dividends.

Bob Zalupski - *TriMas Corporation - CFO*

Good morning. My name is Bob Zalupski. I'm the CFO for TriMas Corporation. I've been with the company for approximately 13 years in a variety of roles, most recently as treasurer and head of Corporate Development. I've been in the leadership position as CFO since January, and I'm excited to be leading the Finance Team at this very important time in our company's history.

So with that, I'd like to spend a few minutes providing an overview of what we believe the TriMas value proposition is post completion for the spin transaction. In addition to working to complete the spin, we have been focused on developing the financial and operating metrics that will matter to us going forward, both new and different and things that will remain the same as TriMas moves hard without Cequent as part of the portfolio.

Let's start with the review of our financial strategies. While none of these strategies are new, I do believe we can drive better execution with more clearly defined metrics and improved discipline around capital deployment. Our focus will shift from being sales and EPS growth oriented to improving profitability and returns on investment.

Improved returns driven by our revised capital allocation strategy are key to increasing shareholder value. M&A will remain an important part of our growth and profitability strategies. We will ensure that future transactions are accretive to our operating margin and return on capital metrics, and certainly we need to drive yet further synergies from our previous acquisitions.

So let's start with the review of about how TriMas has performed historically versus our key metrics. This slide summarizes TriMas' performance relative to a group of both aspirational and mid-cap industrial peers.

A review of this data confirms much of what we already know -- revenue growth higher than peers while profitability metrics lag, return metrics generally higher although the recent acquisition of Allfast significantly impact that metric at this point in time, free cash flow lower, leverage higher really due to the significant investment in growth initiatives that we have made as a company, and evaluation multiple that is a significant discount to our peers. So while the spin of Cequent will improve our profitability metrics, there is more work to do to meet or exceed peers on other measures of performance.

So let's discuss how we plan to close that gap. Each of the BU presidents have shared their revenue and operating profit targets in certain of their initiatives to achieve. I wanted to share a few insights into the rational used in establishing these targets for each of our businesses.

In packaging, mid single-digit organic sales growth is the result of higher expected end market growth in food and beverage, pharma, health and personal care, as well as higher expected growth in Asia most notably in India and China. We like the operating profit margins in this business and, as David Pritchett noted, his initiatives are focused on maintaining margins of at least 22% operating profit.

In energy, we've targeted GDP+ organic sales growth, but the real new mover here is improved profitability. Kurt and his team have numerous initiatives underway that are targeted to restore operating profit margins to their historically achieved levels of 10% to 12%.

In aerospace, mid to high single-digit growth is driven by a record industry backlog and forecasted build rates increasing 6% to 7% per annum through 2018. As Tom noted, we have many margin improvement initiatives in this in-process and believe that a 25% operating profit target while aggressive is certainly achievable given his mix of businesses.

In engineered components, we're targeting a GDP+ sales growth in operating profit margins of 15%. These targets are really driven by the competitive positions of the Arrow and Norris in their marketplaces. They have very high share of North America and challenges that a strong US dollar as well as the moderate recovery in oil prices and rig count activity present.

Concerning corporate office, while we [win] 40% of the revenue with the spin of Cequent, the services corporate provide remain the same, and we will continue to support Horizon for an approximately 12 to 18 month period under a transition services agreement. On longer-term though, we have operated at 3% of revenue generally speaking and that will continue to be our long-term target post spin.

Now let's take little deeper dive relative to margin improvement than it's expected in each business as a result of achieving these growth and profitability targets.

In packaging, our objective is to grow revenues while maintaining margins. David mentioned productivity achievement as being one of the key elements of why packaging historic levels of profitability have been so high.

So continuing the investment in growth capacity and automation will enable productivity achievement going forward as will investment and product development and manufacturing capacity contribute to the speed to market for which we believe our customers will pay a premium. Achievement of at least a 22% operating margin results in 10% CAGR, if you will, of operating profit dollars over the strat plan period.

In aerospace, our objective is to grow both revenues and expand markets. To accomplish this, Tom and his team are looking at volume leverage over the significant investments we've made previously in aerospace assets. He's looking for additional fixed cost reductions as he continues to integrate into a single platform company and certainly increase productivity at all manufacturing locations including Allfast, our key to the strategy.

Achievement of these targets would position aerospace to be near the high-margin watermark for this business historically and result in an approximate 23% CAGR and operating profit dollars over the period.

In energy, our clear focus on this business is significant margin improvement. Kurt and his team are focused on the following key initiatives -- better leverage of our lower class manufacturing plants and further consolidation of the global footprint, vertical integration and greater sales of product lines acquired in prior acquisitions, and an increase in sales of higher-margin engineered products to improve mix.

Really these initiatives are focused on reducing order lead times and improving on-time delivery and to the extent Kurt's success when doing that, we believe it will be a tremendous competitive advantage that will also help top line growth, so getting back to low double-digit operating margins for this business results in a 40% CAGR in operating profit dollars over the same strat plan period.

And last but certainly not least, engineered components, the targets for this segment maintain 15% operating profit margins and grow sales at a GDP type rate while continuing to improve upon our returns on capital. These targets are fairly conservative given the uncertainties around our assumption that oil prices and rig count return to 2014 levels over the strat planning period.

Essentially, growth in the industrial cylinders business driven by expanded capacity account for the 4% CAGR in operating profit dollars in this segment.

So next I'd like to talk a bit about our capital allocation strategy, which really provides the foundation for achieving these sales growth and profitability targets. Guiding principles underlying this strategy are premised on use of consistent hurdle rates for both return and profitability metrics when evaluating capital deployment decisions across the portfolio. We also are going to let to balance organic growth and acquisition-related investments with return of capital to shareholders.

Over the strat plan horizon through 2018, we expect debt service will account for 15% to 20% of our available cash flow. Growth capital invested in businesses will consume another 30% to 40% of that cash flow.

We expect dividends to investors to account for 10% to 15%, and the remaining could be used for further deleveraging, M&A or potentially share repurchases, and really those decisions will be dependent upon facts and circumstances at a particular point in time. We have also benchmarked our plan capital allocation versus our industrial peer groups historically, which confirmed our planned strategy as reasonably consistent with that of our peers.

As noted earlier, M&A activity remains an important part of our plan growth in sales and profitability, but it will be tempered by our capital allocation priorities. Key considerations include targeting more established companies, focused primarily on packaging and aerospace although we will consider value-accretive acquisitions in other segments that are opportunistic. Some of our best acquisitions historically have been in engineered components, for example, as Jerry mentioned so we don't want to overlook those facts while we concentrate on both packaging and aerospace.

And then secondly, we will use consistent return in margin metrics across the businesses with hurdle rates that are accretive to TriMas overall.

Finally, our improved diligence in integration framework will drive accountability and quicker attainment of identified synergies post acquisition.

For total TriMas, achievement of the sales growth and profitability targets discussed today will result in solid performance. For the sales standpoint, 3% to 5% organic growth complemented by acquisition results in a net sales CAGR of 6% to 8% over the forecast period. More importantly, operating profit is expected to grow at 14% to 16% CAGR or two times that of expected sales growth.

This performance will be driven primarily by margin expansion in aerospace and energy. Note that in 2018, a greater percentage of our operating profit dollars will also be contributed by aerospace and packaging, and that total operating company profit exceeds 15%.

Consistent with past years, TriMas remains committed to a target leverage ratio of 1.5 to two times. On an organic basis, leverage declines from approximately 2.7 times as of the date of spin, less than one time in 2018. The significant cash generation capabilities of the company allows us to fund growth capital, M&A, as well as shareholder returns yet provides a path of achieving our targeted leverage ratio of 1.5 to two times.

So in summary, you have heard from each of the business on how they plan to achieve the growth and margin objectives included in the plan. These outcomes will be a function of operational execution on management initiatives that we control and if successful, result in revenue growth consistent with peers historically, operating margins at or above peer levels, return metrics in free cash flow conversion closer to peers and improving, and leverage in dividend levels in line with peers.

We believe achievement of these targets will result in significant value creation for our shareholders and minimize the discount in our valuation multiple.

And now I'll turn it over to Dave for his wrap-up and concluding remarks.

Dave Wathen - *TriMas Corporation - President, CEO*

Thanks, Bob. Bob is clearly on the list also of folks who have risen to new challenges in TriMas, and it's been great for us. You can also see that we are really trying to share with you what we see we're heading towards up and metrics mean, what it matters, what matters and all that.

Let me just wrap it up quickly with we all know it's vitally important that the folks who are responsible for the thousands of day-to-day decisions that stay on these pads to more understand what the goals are. And I would submit also to you all who tend to operate in pay systems that are incentive-based based on performance and very tight relationship between pay and performance. Easy to say, hard to accomplish.

I will update you that we have continued to refine our incentive systems, 100 or so people on short-term annual incentive systems.

We have added -- I'm a big fan of very consistent clear systems. We have changed the balance of in each business unit, what the weightings are for some of our metrics. I'm sure it's obvious to you -- a business that's high-margin like packaging isn't really about growing margin, it's about how the margin go on the top line, which you will see that two of our metrics are really growth margin and operating margin just reflecting that.

But my long-term incentive program, of course, it's ultimately control the comp committee, but where we're at right now is a conversion for where we had been pre-spin with half-time based and then half -- really EPS and ROIC kind of metrics for the long-term incentive -- we call it the Top 50 People -- a move west time-based share, more performance-based, bigger on ROIC really versus delivering our plan and then an external metric, a total shareholder return metric, which we think what Bob just showed you about how we think we can get ourselves into the pack and maybe do better in our peer group and tie our own incentive systems directly to that.

So again I think as part of being a great place to work is everybody understands exactly what the goals are and feels like they're being properly rewarded for that and their rewards are very clear, so we've made some improvement with that.

I will wrap up. I'm a fan of consistent messages. I'd ask you to take away new TriMas, highly-engineered, hard to design, hard to build, important to our customers, strong pricing power, very, very connected with our customers.

There are macro trends that you've heard as we have. Each of our business units have talked about making sure we're connected to those so we continue to ride those.

Great experience. I am very happy to have been able to promote people into positions that they've grown into, and that growing up within the company is very, very good for us to continue to both great people running the businesses and know them inside-out, but also to demonstrate to people throughout the organization there's a career path of the company.

The spin simplifies, improves our metrics. They're still both great companies, but they are quite different. And I'm talking for new TriMas and say I'm very encouraged about what I feel like we've got coming our way.

We shared our updated strategic plans with you. Of course, again, asterisk beside margin, that's the metric that gets us into the pack. I feel like we got that very well laid out and can show you what the path is to get there.

So with that, we're going to go on to Q&A with the group that does appear before us so I'm going to ask Tom, and Jerry, and Len to join me. And we will gladly take your questions about total, about each business unit, whatever you need to help you understand us.

QUESTIONS AND ANSWERS

Unidentified Audience Member

What are the three primary drivers to improve your free cash flow conversion from 66% historically to 100%? It's a big move.

Bob Zalupski - *TriMas Corporation - CFO*

I think part of that process is obviously higher profitability within the businesses. And then I think if you look historically, at least in the most recent past, a level of CapEx and in spend on plant consolidations and growth initiatives, et cetera was pretty heavy in the last couple of years. And that's not to suggest that there isn't going to be a significant capital investment to fund the various initiatives we talked about, but at 4% of sales would be improved. Profitability we think free cash flow conversion will be there.

Unidentified Audience Member

I guess, a couple of detailed questions. I apologize, I stepped outside. I don't know if you come to this, Bob. But in the upcoming dividend related to the spin, could you review what the cash allocation priorities would be for that.

Bob Zalupski - *TriMas Corporation - CFO*

We're still in the process of finalizing the financing structure for the Horizon business. That obviously will very critical to the size of the dividend and the timing of the closure of the transaction. I think in terms of immediate need, we will look at deleveraging accordingly.

Unidentified Audience Member

Okay, thanks. And then on the 3% of sales longer-term for corporate, how are you going to treat that in the short-term? Is that the agreement with the new Horizon will bring the actual cost to the new TriMas down to around 3% of sales.

Bob Zalupski - *TriMas Corporation - CFO*

Oh, no, not immediately. Sales, as I mentioned, with the 40% loss in revenue it's not as if we're going to have a 40% reduction in corporate cost. Particularly in the immediate timeframe post spin, we're going to be providing support services to Horizon Global through a TSA.

There is some level of personnel cost and then related spend that employees that will migrate naturally over to Horizon is part of the transaction, but I think we're probably looking at a 12 to 18-month timeframe before we normalize that corporate spending back down to 3% of the smaller revenue enterprise.

Dave Wathen - *TriMas Corporation - President, CEO*

But the example I would use on that is our liability profile changes, but it's not like the insurance companies knock on the door and say here's your new rates. We have a lot of work to do on the things we purchased, which is in that overhead cost to get ourselves lined up. You know, we all -- but we don't want to tell you it happens as a step function, and whether at the insurance, legal, and all the things we use, and auditing cost and all of that.

It's easy understanding your people cost and direct spending. It's no services for every piece of it.

Unidentified Audience Member

I've got one here for Tom. You had a slide that highlighted the various product lines, and I was just wondering if you could highlight for us where you may see any gaps or you'd like to fill those in in terms of products and your philosophy in terms of acquire versus develop in-house.

Tom Aepelbacher - *TriMas Corporation - President - Aerospace & Defense*

Yes, that's a great question. We do have a great portfolio of blind fasteners right now. We do have the standards. We're constantly looking at it. We got two different areas in this portfolio that we have. We have this machining part segment right now called Martinic, and we see a lot of growth and that the market is extremely big in that area, and we think we can continue to grow in that area, so we are strongly looking at other ways to grow that type of a business in the heavy machining.

But on the fastener side, besides having the blinds and the blind fasteners and some of the standards, there is other applications that are part of that. There's nuts, there's bolts, there's engine applications, there's a whole lot of different portfolio.

As far as putting [sheep mail] or composites together on the aircraft, we're pretty well covered, but we could look at other things like the ones I mentioned.

Unidentified Audience Member

You talked a lot about changing your hurdle rates for acquisitions to be more careful, I guess. Could you be a little more specific about what hurdle rates you're using? And then also just across the product lines, do you have opportunity to increase prices anywhere? Would that make sense?

Bob Zalupski - *TriMas Corporation - CFO*

Yes. With respect to the hurdle rates of acquisitions, I think from a ROIC point of view, minimum hurdle rates would be cost of capital in terms of a screen. And then we would obviously look at how does that return as forecasted, what does it do to our overall consolidated sort of TriMas return.

I think from a profitability standpoint, again we're going to want the returns there to be at or equal to a greater than our sort of our composite operating profitability level. So what combinations those book in on any given acquisition will be backed in circumstance dependent at that time and really how strategic that acquisition is well to a particular segment or business.

Dave Wathen - *TriMas Corporation - President, CEO*

On the pricing question, I think most of our customers would characterize us as aggressive pricers that we do try to charge what we're worth. That said, in times of turmoil like distributor consolidations, like currency exit, like exchange rates, commodities going up and down, there are always pricing opportunities. And if you sent our operating reviews we do talk about pricing.

THOMSON REUTERS

I don't think we missed many, but there are always opportunities because it's a tough thing, but you got to be tough about it. So I can assure you we keep that. Nothing drops in the bottom line faster than the price, and we do keep after them.

Unidentified Audience Member

I have two questions over here. Good morning. First question is when you complete the spin, what do you see as the major benefits to the remain [co] TriMas from having Cequent being separate? What will it perhaps enable you to do that you weren't able to do as well beforehand? That's my first question.

Dave Wathen - *TriMas Corporation - President, CEO*

There is always a battle for capital within a diversified company. I mean, the thing that changes is Cequent is inherently a somewhat lower -- it's closer to consumer. If you look at the customer, it tends to be a little bit lower margins. The capital allocation questions of do you build a plant for Cequent in Mexico or do you build a packaging plant in Vietnam or natural questions you deal with, and what are the returns?

And the profile of new TriMas in a way that's simpler and it kind of takes a little bit of that battle out of the total. Both companies, I am convinced, can optimize how they could -- both companies are high cash flow businesses. Both companies can optimize how they use that cash, where to invest in for optimum kind of returns. I think that's the biggest difference that both of us see.

Mark has joined us. I will add to the comments I've made about people I'm proud of that have stepped up to new roles and grown within the company. Mark is clearly on that. He's been a great CFO for us, and now he's going to be a great CEO. And he's had the opportunity to be in that role for a while because we made that change at the start of the year so we could hit the ground running, which you're going to hear a lot about this afternoon. They made a lot of progress.

All that said, I think the biggest change is the capital allocation battle that goes on within the company and it makes the decisions considerably clear and more focused.

Unidentified Audience Member

If I may with the second unrelated question, on the aerospace side, how much of the margin improvement that the company is targeting on the aerospace side is related to further improvement in Allfast margins? And then looking at the share and the margins in Allfast quite high sort of what competitive risks sort of do you think about going forward to maintain that solid in Allfast position?

Dave Wathen - *TriMas Corporation - President, CEO*

I'll answer quickly and then turn over to Tom. This was a big expensive acquisition. We did massive due diligence. I personally talked with CEOs and purchasing managers of big customers and talk about what are the opportunities.

There are current opportunities as good as Allfast is. There are current opportunities as good as Allfast is. There's customers that they really weren't serving that Monogram does, so that's one of those.

While there are continuous improvements to do, our business case isn't about margin improvements in Allfast. The margin improvements is coming [out of fast] places.

Tom?

Tom Aepelbacher - *TriMas Corporation - President - Aerospace & Defense*

Yes. I think it's very fair. I think what they started off with, which is the growth of Allfast is definitely there. So the main drivers that we went after Allfast is because they're not in all applications that are out there. And because Monogram is and many other applications that Allfast is that, we're able to leverage the two. And we are leveraging the two right now and we're already starting to see the fruits of our labor as far as that goes.

I'd also tell you the manufacturing person going into Allfast a very, very excellent plan, great margins, great performance. But I will tell you by bringing the TriMas Operating System in place, by putting the Lean and Six Sigma is already starting to do the training in the green belt and the black belt, they're going to get some upside as well.

Will they have as much of an upside as some of our other businesses? No, because the gap is a lot smaller, but they'd definitely going to get up there.

Bob Zalupski - *TriMas Corporation - CFO*

And from a risk standpoint, I would just add that I think as a standalone company, Allfast probably would have been subject to more competitive pressures on margins given certain dynamics in the markets in how the OE purchasing patterns are changing. I think it's part of a broader platform where they can offer a wider suite of products that actually it enhances their ability to continue to gain share as well as margin.

Unidentified Audience Member

Okay and in your [any target client I figure your fourth] assumption that oil price and rig count drive the 2014 levels, what if they stayed at today's levels? I mean, the other assumptions seem pretty conservative. That one, what does it mean to your business if that doesn't materialize?

Len Turner - *TriMas Corporation - President - Arrow Engine Company*

That means we probably continue to operate similar...

Bob Zalupski - *TriMas Corporation - CFO*

Well, we don't really have that high level built in. Actually, we only have a very partial recovery in 2014 in the numbers right now -- a modest recovery, let's say. Now I'm getting back to 2014 figures.

Unidentified Audience Member

(inaudible) assumption that we should not (inaudible)...

Bob Zalupski - *TriMas Corporation - CFO*

Correct me if I'm wrong but...

Len Turner - *TriMas Corporation - President - Arrow Engine Company*

No, we assume the activity levels would get back to where they essentially were in 2014 by the time we got to the end of the strat plan.

Unidentified Audience Member

I think we were assuming 70-ish oil per barrel.

Len Turner - *TriMas Corporation - President - Arrow Engine Company*

I think though that probably the more important question nobody really has a crystal ball in terms of where oil prices are going and what that means to rig count and production domestically.

Arrow is not a huge portion even of the new TriMas on a full run rate basis. It's less than 10%. So the impact that not growing back to those levels, it would have in the strat planning, Horizon really is significant.

Unidentified Audience Member

An unrelated question, you mentioned priorities for capital allocation, dividend, and you have later on potentially share repurchases. You highlighted the multiple disparity and then you have a very nice sort of lift in operating margins. How do you think about repurchases versus dividends and why it goes the dividend route?

Bob Zalupski - *TriMas Corporation - CFO*

Well, I think when we look at the peer comparison in terms of the deployment of capital, we were an outlier. It's one of the few that didn't offer -- provide the dividends. So we've talked about this periodically at the board level over the last 18 months. And as cash flow and profitability of the businesses have improved, it certainly was a consideration in terms of return of capital to shareholders.

As far as share repurchases, I mean, it's very, very early days. I mean, the spin is not yet completed. We need to reevaluate that question as we look at what other alternatives we have for that capital be it investment in growth initiatives of the company or M&A-related or even potentially further deleveraging.

Dave Wathen - *TriMas Corporation - President, CEO*

I think most comparisons that we put dividends in a higher priority than -- general repurchases tends to be somewhat opportunistic. Dividends tend to be a strategic view of the company capabilities.

Unidentified Audience Member

I'd like to go back to the capital allocation question. And you have this chart on 79. This is a target leverage numbers post spin. Is that you're communicating what that is going to be on Horizon versus TriMas or is that just a target?

Bob Zalupski - *TriMas Corporation - CFO*

Well, we ended the quarter at 2.9 times [of where the book]. If you look back to yearend, we are slightly lower than that, about 2.7. Part of that increase in first quarter is just our natural seasonal working capital build. Some of that working capital goes away with the spin of Cequent. And so the yearend leverage ratio is where we expect to be at close of it.

Unidentified Audience Member

All right. Thanks.

Dave Wathen - *TriMas Corporation - President, CEO*

I think we're going to need to wrap-up and move to lunch.

Sherry will remind you of the logistics here.

Sherry Lauderback - *TriMas Corporation - VP - IR & Global Communications*

So lunch will be starting next door. Mark and the Horizon team will be joining us in there as well. And then they'll be picking up at 12:30 for the remainder of the presentation highlighting Horizon and all their objectives.

And as I mentioned earlier, when you go into the lunch room there's actually tables with the names of the various segments that the gentlemen here have talked to you about if you like new information as well as four tables set for Horizon as well. So hope you enjoy it and we'll see you back in here at 12.30. Thank you.

Dave Wathen - *TriMas Corporation - President, CEO*

Thanks, all.

(BREAK)

PRESENTATION

Maria Duey - *Masco Corp - VP - IR & Communications*

... Horizon Global Investor and Analyst Day. We thank you for joining us today, those of you in the room and online. And I'd also like to thank Sherry Lauderback, my counterpart at TriMas for really helping to put this event together today for us.

You will notice, you don't have the presentations in your folders. We've gone digital. We can pull up the presentation online either at the TriMas website or at horizonglobal.com.

I'd like to point you to the forward-looking statement, and also as a reminder, you know, we have a registration statement file S-1 and you can get that online if you have not already seen that.

Today, we're going to hear from the Horizon Global team, who we are, what we're doing and how we intend to create shareholder value, and I hope you get a sense of the passion and excitement that this team has around our new company.

We're going to kick it off with Mark, who many of you may already know, and then we're going to have kind of a little panel fireside chat with our two business leaders, John Aleva and Carl Bizon, and then you will hear from Paul Caruso and Mike Finos in operations, and meet our CFO, David Rice, who is going to talk a little bit about value creation as an independent public company. We will save Q&A for the end of the session.

I know most of you are in the morning session. If you're not familiar with the pending spinoff, in December, TriMas announced the spinoff of the Cequent businesses and will create a new standalone public company that will be traded on the New York Stock Exchange under the symbol HZN, and we are still targeting to complete this in mid -2015.

And I think that Sherry also mentioned this morning, there should be an amendment to the S-1 coming up hopefully rather soon.

Rationale for the spinoff and some of the benefits that Horizon Global will achieve is, you know, we have significant cash flow to our allocation of resources, capital allocation acquisitions, strategic decisions, we'll have much more flexibility around those decisions.

And so with that, we'd like to start our day. I'd like to introduce our President and CEO, Mark Zeffiro. He's the former CFO of TriMas and has 25 years leadership and business experience including since at GE and Black & Decker and he's going to give you an overview focusing on our value drivers and our strategic plan for the future. Mark?

Mark Zeffiro - *Horizon Global - President, CEO*

Good afternoon, everyone. For those that know me, you can see the smile on my face, it's been an exciting day, the exciting day because for the first time this set of businesses will actually have investors that are solely invested and thought about them as a standalone company.

It's our journey. It's the next chapter in the book associated with these companies. And most importantly in that context, there are really a couple of things. It's a company that is a long-term industry participant, a long-term industry participant that actually built the industry that we're talking about today.

Secondly, it's a company that also gives its own cash flow available back to its ownership team and its own propagation on a go-forward basis.

And the third thing that's really exciting I think, to be able -- for us to be able to really grow as a company is the launch of this and our ability to actually become a really standalone global enterprise.

Now, as you know in TriMas, there was a bunch of time that these were competitive businesses, three division presidents running individual separate units, spending a lot of time in terms of being separate versus being together. I will tell you that that whole integration, that whole cultural integration yet ahead of us.

So as we get into the day, there are some obvious things that I want you to walk away with. Firstly, we're growth-oriented enterprise. Now, what does that mean in the context of Horizon Global? Now, we do -- we have strong brands and I'll talk to the brands here in a bit, but most importantly, we actually have a history of growing this enterprise.

From 2010 to 2014, we grew this enterprise on average 10% a year. So this is not a GDP for clunker. It is a brand-oriented house that gives you the opportunity as you'll see growth and you're going to hear about that today. So the really most important things I want you to walk away with, this can be a growth enterprise.

The second thing, and I have the opportunity at lunch to share some thoughts with various people in the audience, it was really related to margin improvement. When you think about margin improvement, the question becomes this, we've been the benefactors of some great investments completed by TriMas over the past couple of years.

And the question is, where is my margin, where is the margin improvement that's coming out of it? We're going to just do today and Mike Finos is going to share with you our plans specifically to improve margin and be able to drive real shareholder value as a result of that.

I'll also close in terms of talking a little bit about long-term margin expectations for us as a company. And I would leave you with the last thing, is I hope you walk away from today with a clear understanding that the management team is one that is experienced, capable and ready to lead this enterprise in its next evolution.

Now, why do I say that? There's a page in the deck that we'll talk about the number of years of experience everybody has on my staff. We're all about the same age. We're all -- if -- or in terms of experiences would be global leaders in different kinds of industries or different kinds of sets of experiences. It's now time for us to change that next professional step as a standalone team.

So what I was going to tell you now was before we actually introduce TriMas' spinoff of Horizon Global, it was really related to, we've been very inward taking for the past 10 years. We spent a lot of time thinking about how we consolidate, how we push together, how we integrate, how do we eliminate.

And along the way, we've really started to portray ourselves as a bunch of folks that then metal. We've watched to some extent -- to some extent, our ability to actually drive an invigorated brand story. That doesn't mean that we shouldn't be efficient. We will be efficient. That's like branding.

But we have to be compelling with our brand proposition on a global scale. So we're not metal vendors. And if you thought you're going to listen to a presentation that was about metal vending or metal cutting or those kinds of things today, you're in the wrong room. And I want to show you why.

(Video Presentation)

Mark Zeffiro - *Horizon Global - President, CEO*

Okay, a very different view versus just six months ago, a view that actually thinks about what our customers and consumers view with our products. Now, when I talk about experiencing your life, it's not just about leisure, it's about that small business owner that actually has a tree trimming business or a lawn-cutting business or the gentleman that's actually moving cattle from place to place.

About half of our business is driven by work-related enterprise and about half of it is driven by play-related enterprise. So why does that matter to us? Why it matters to us is that we've got access to different users of our product and we have the best channels by which to be able to distribute that product.

And typically, it's [kind of form I] ask for show of hands, how many of you in your life have towed or trailered something? Sincerely, a lot, that is a lot better than traditional. That most often when you talk about that, the people you're talking to either insurance or otherwise have no idea what it means, have no idea what that activity means, have no idea what ultimately you're trying to achieve.

And the brands that we have in this space are indeed absolute legacy brands. We stand on the shoulders of men and women that built these businesses 150 years ago. Now, there are people in this room that work for companies and there are only a few companies that have been around longer than 150 years. To put in context, that's a monumental statement in terms of that our brand could be relevant for that period of time.

So let's talk about those brands for a little bit. The brands that we started with and are most meaningful to us are related to towing and trailing. We could see over the period of time that we've added brands over time. I would tell you that one of some of the most important elements here are really related to the fact that these brands have equity in our space. Now, why does that matter?

Why it matters is we're going to talk about it. We're going to talk about it and make it relevant to the users of the products.

You're going to hear from a couple of my staff members today and we're going to talk about how we go-to-market and how we engage those users of our products and ultimately, how we also engage our customers along the way.

But what's important there is that we have history and legacy of 100s of years of experience in terms of these brands. Our brand obviously has relevance in local markets but also on a global scale. Now, what does that mean to us?

And that our view, we are becoming a global enterprise, and we do say we are a global enterprise, we are becoming one. My differentiation is this, is that we have two businesses operating separate and distinct, an Americas' business and really a rest of the world's business.

And the ability to share and be an integrated solution for our customers has been a secondary thought versus a primary thought. That change is intended to actually drive efficiencies not only for our customers but also for our enterprise as well.

It's intended to be able to be quicker to market, it's intended to be able to create real value from an engineering perspective. And you're going to hear from Carl Bizon as he talks through what it means to be a global OE supplier and how we are advantaged in that respect.

So I'm not going to steal his thunder because it's important for you to be able to understand it from Carl's perspective how he's going to create disproportionate value from that chain. We're going to spend some time on that.

So the question then becomes is, our present day, most of the spins that we've had and that you've read about are more often than not a spin of a company that's been underinvested, a business that hasn't been people cared and attended to.

That's not the case here. I want to make that very clear because as a TriMas shareholder, it's been incredibly important for us to do the right things to build the global enterprise. And that has meant that we have to also be a productive global enterprise.

And so over the past few years, we spent $50 million making ourselves more productive. We've consolidated plans, we've upgraded facilities, we've improved our quality. All of this is going to result in a 100 basis point improvement in 2015 in our margin rates.

Now, remember when I said, where is my margin? It's starting to turn. That margin is starting to turn in 2015. And what's incredibly important to that point is that that's what we expected to do when we made those investments.

We expected for margin rates to improve. We've been here late in achieving it, no doubt. That's not for lack of effort, it's not for lack of focus, it's been for challenges associated with the biggest consolidation that we had ever done.

But I'll tell you this, 10% to 15% standard earned hours of efficiency in our Mexican facilities and Q1 alone, supports that notion that margin rates are starting to turn. So to that end, the question becomes as, where are we headed?

So our product set, and I hope you got this from the video, it is not just the guy that's telling to both side just the opportunity that an individual has in terms of being able to go enjoy their life with a snowmobile out in the country. It's also about the guy that's [bailing hay] or turning dirt over to be able to plant. Those are our products.

Our products enrich lives. That's who we are. We enrich lives through better products. So you can't just have a vision. You have -- some of your vision, you have to have a mission that supports it.

And the question becomes, our mission is to utilize technology, forward-leaning technology to be able to make better products. Now, when you think about that, part of you should say, "Well, it's a metal bar." All right. How complex could it really be? It's a metal ball. How complex could it really be?

Well, the fact of the matter is, that's the evolution ahead of us. And I would tell you forward-leaning indicators to indicate that there are center technologies that need to be deployed in the space. There is different material technology that needs to be deployed in the space.

We've taken the natural evolution of product sets through its natural conclusion. It doesn't mean that we're done. It just means that that next evolution in terms of global reach product development and channel expertise is really how we're going to differentiate on a go-forward basis.

Those products will help realize value for the creation of value for shareholders because -- it's interesting. If I were to reflect this a few years ago when we did one of these meetings, I held a tow ball, two versions, looks identical. And I hand it to a shareholder, an active shareholder and I said, "Which one do you think we produce and which one do you think we used to produce?"

And there was a significant weight differential in that ball. I said, yes, it has the same towing capacity, yet it still has all the regulatory requirements but it's 40% less to cost. Those are the kinds of things that we have to continue to do today in the shortest term to be able to support continued margin expansion.

But we are also going to invest in other technologies either through acquisition or otherwise to be able to continue to build our enterprise. So that management team that's going to do that for us is here in the room today. I'm honored to have them.

When you think about it, I had my pick of team. I picked them. I hope they picked me too. We'll see over time on that one. But most importantly, this team is -- has experience in the industry, it has 20-plus years of experience across the board.

This is just the -- if you're the C-suite, if you will, my corporate executive council is responsible for developing and delivering the vision of the enterprise. This is who the [buck] starts with. Of course, it starts with me, but ultimately five brains are better than one. So that's what we're going to do.

This management team has a strong track record and it's been stressed tested multiple times through down cycles. One of the questions that invariably get asked is, "What happens when the automotive cycle turns?" We generate more cash.

Well, what happens in the case of where you have material cost inflation? This management team already knows how to deal with that, not only through the supplier arrangements but also in their indication of price.

It's not the first rodeo for this management team. They know exactly what to do when demographics cycles change. So the organization culture that supports that is an open team-oriented culture. So for us, that's a huge tenant.

I'm building a one culture across this enterprise, and I tell you, that's [when we in-fleet]. I have never had to do it on this level of scale as an enterprise, and most importantly, it's open and direct.

We have a session every week that we call the [CEC] meeting and it's later in the night US time because otherwise, we have to have Carl Bizon who is based in Melbourne, you know, up in the middle of the night.

And one of the things we talk about is the big, bad uglies. Now, think about that. It's a team that hasn't been achieved, it's a team that ultimately needs to rely on one another. And the only way to do that is actually to be upfront and open around that discussion.

And holding each other, not just me holding them accountable, them holding me accountable to what I've said is the enterprise is going to be. So accountability is actually cascaded down through all the objectives of our organization.

We have to be thoughtful and considerate in our risk-taking efforts. And what does that mean? What that means is we have to be more thoughtful. We got to have better business plans around it.

We've got to be more comprehensive in our views as to what that's going to be, and that's one of the things that the team is totally able to do and it's one thing that I think -- that I am re-enforcing to them.

This is all in the foundation of being socially responsible us. If we're going to -- if we're going to portrait a company as a company that has a leisure element to it, and it does, it has a play element to it, our consumers expect us to be socially responsible.

So this is not just for show, this is also compelling from our own development as an enterprise. We have to be socially responsible to be able to be relevant to the users of the product, and that's one of the things that have to change, and we have to be committed to the neighborhoods and the areas of the world in which we operate and build our products every day.

So I may mention of being a growing global company and the reality of it is we're about a $600 million enterprise, probably a little more than that with operating margin as a baseline of 7%.

Now, for those that have followed the story over the past year, you would know that 2014 from a performance perspective was a very bumpy year. I'd like to say it's a little point but it's not something I can really commit to because you never know what happens in life.

But I will tell you this, it is always very bumpy in terms of the implementation of all the synergies around the new manufacturing facilities, it was bumpy in terms of the use of cash. This is a little point in terms of the generation of cash simply because we're funding that entire investment in Mexico, a whole new productive plant structure.

And the question becomes as what's more normal? David Rice will share it with you. What the cash earnings power of this enterprise will be on a go-forward basis? Again, thinking through the ability to be able to generate real commerce.

So we have the best brands on a global basis. Now, the reason why there are big ones and small ones on this page is we have focused leadership brands. Now, the gentlemen that lead these businesses on an operating basis on a day-to-day perspective spend time thinking about a Reese-related product, a Draw-Tite group-related product, and more globally, the Hayman Reese-related brands.

Now, why those are bigger is these are what I call the shoulder brands. They're going to carry the lion share of the volume activity for us as a company. And you have all these other brands. This all started with a conversation with the team of someone is going to have to explain to me for $600 million business why we have 25-plus brands.

So we're going to brand prioritize. We're going to brand and communicate, we're going to spend time focusing on the ones that are going to be those shoulder brands to be able to carry the enterprise on a go-forward basis.

It doesn't mean that the rest of the brands are going to go away but what it does mean is that we are going to change how we allot time, effort and capital to those smaller brands.

Now, one would think that that's based upon the premise of simplification, and you'd be right. When you think about simplification in terms of that brand, the reality is you're going to save money in the process, you're going to pull money out of the system either it's your working capital and cash flow reductions or the related better prioritization of costs.

This is all going to be able to help us afford and drive efficiency into the system to be able to better prioritize and better communicate and better invigorate those brands from a brand premise perspective. That's the plan to the multiyear evolution for us as a company and it's going to be something that I'm pretty excited about.

So with that said, what I'm going to do is I'm going to bring John and Carl up and we're going to -- we're going to do less of a formal business presentation. We're going to do kind of a fireside chat. I think it was -- actually one individual to the audience that I did my first fireside chat as an organization.

And I found that it was a really, really effective way to just talk about the company but also then afford our opportunity to be able to just a little more free flow, so less formal presentation, come on up, guys.

So for clarity, you're going to see pages that come up and we're going to talk about those pages and give you inputs and thoughts as to what's happening. Now, really the first thing in the Harper is John. And I'm going to ask John spend some time talking about the Americas business.

Let's see. Let's talk about in the following contexts, let's talk about the intermediate priorities, the financial performance of the business and then also what's important to you in general.

John Aleva - *TriMas Corporation - President - Cequent Americas*

Okay. The Cequent Americas business is founded in the largest global towing market in the world, and that's North America. We have $460 million across every channel that we go-to-market to where we are the number 1 share leader in those channels. And in some of those channels, we are beyond the number 2, a great distance.

We generated about 7.8% operating income last year and we are in the process of improving that through the acquisition or through the movings of buildings and the manufacturing to be able to generate higher margin as we move forward.

Most of that in 2014 was not done and we are now in the process of starting to see the value of those as we have completed them and we started to see the plants generate the productivity that we were expecting to achieve as we move forward.

Mark Zeffiro - *Horizon Global - President, CEO*

That's great, that's great. And Carl, why don't you do something similar in terms of talking about the APEA business? You know, what would be interesting is talk a little bit about how things evolve a bit differently for your company?

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Sure, Mark. I guess the important thing about the Australian business which is really the heart of the Asia Pacific and European businesses is it's a company that's 65 years old and the Hayman Reese brand as you up earlier, it's a brand that really hold strong market leadership in Australia. And, you know, when I took over the business seven or eight years ago, you know, we achieved some pretty strong market position in Australia.

And as far as the challenge for me was how I grew that business and Australia in the last six years was tripled the size of the organization that I leading. And one of the reasons -- one of the ways I've done that is not that we grow in the new product but that we were allowed to investigate internationalization of our business.

So we developed the big change in Africa, went up into Europe and now, we've got a company in Germany, we got one in Finland and also in the U.K. We've got a manufacturing footprint in Thailand, we sell products in Asia.

And, you know, I think going forward, the most important thing for us is how we continue to grow in some of those emerging markets like China but also how we leverage the footprints, the investment of the footprints we've done in the rest of the world.

So, you know, from my perspective, what was a 65-year-old business that really had the number 1 -- and clearly a number 1 market position in Australia has now really turned into quite a significant international business with people in seven or eight countries around the world, headquartered out of [Milton], so you know, it's being a hell of a journey.

Mark Zeffiro - *Horizon Global - President, CEO*

That's fantastic. Now, when you think about that, you heard a couple of things that came out of that discussion is that it's a number 1 kind of market position enterprise in both the market spaces.

In North America, you heard number 1 market space, in Australia, you heard number 1 market space. I would tell you that the reality of it is you think about these as regional competitors.

And the next page where I've talked a little bit about is the competitive landscape associated with the enterprise. When you think about that and what you'll notice is there isn't any one competitor that cuts across the diversity of product sets that we offer whether it's towing, trailing or cargo management.

We are the global solution. We are the only global solution that cuts across that product set. So for -- as an enterprise perspective, we get some very well entrenched if [you'll] competitors, in the case of North America, obviously, Curt. Europe, you've got our friends at Bosal and Westfalia.

In Asia, it's probably a less -- a lesser dominant position because quite honestly it's an evolving and developing market. But most importantly, we're the only global solution for our competitors simply for our customers in the space.

So what then you build on that is you think about the diversity of revenues. Now, for those that have been around the story for a period of time, you know us to be 100% either US or Australia.

Think about that a second. We've added significant amount of diversity enterprise, other Americas, Africa, Asia and Europe. We had 20% revenues, and these emerging markets that are growing significantly faster than the US-based markets.

So to that end, why that matters is it gives us a long-term viability in terms of growth outside of our most known traditional markets. Our product set really is clear in this respect. If you look at the middle of the graph, you can see that towing is the largest contributor to revenues for us as a company.

I would tell you, it's largely -- it's also the largest contributor to profit for us as a company as well. Now, why that's important is it's also not reliant on a single product. And when we go through these, and then we're going to take you one step deeper in terms of each one of these product sets. There are 100s of products that go into this. It's not a single thing. It's not one drug, it's not one screw that goes into an aircraft. It's 100s of different types of products.

And then lastly, when you think about it, the revenue by channels even we distribute it across whether or not it's retail, OE or aftermarket, most players are either -- or ones of those three. Now, why is that relevant?

Because there's a cascading associated with technology for the business, there's a cascading in terms of how you engage those customers in a different way and it gives us the flexibility in terms of penetrating the market to be able to deliver on a different commercial experience in that environment whereby we can be more meaningful in different ways to those customers.

So what this should tell you is not that it's just diverse for the sake of being diverse. It's diverse with purpose -- purpose in terms of growth, diverse in terms of product stability to give you the ability to actually expand on that product set and also our commercial diversity in terms of how we go-to-market is relevant in this respect as well.

So to build on that, I'd like to then -- we're going to shift gears just a little bit and we're going to talk about, you know, there's a one, two and three next to each one of those dots and those that are following online, it's page 24 of the presentation.

We have a diverse product set, we have obviously a global scale of our manufacturing enterprise and then long-term relationships with a diverse customer base. I'm not going to walk you through all those because I think it will come out in our discussions, but there are really three things that I'd like you to take away.

Number one is that diversity of the product portfolio gives us a product set unrivaled. Our manufacturing footprint delivers world-class costs, and relationships, you don't get to be a 30-plus-year customer to some of the Japanese-oriented companies unless you're doing stuff right.

So we have a clear understandable and brand delivery mechanism so that they understand who we are as a company and what we can do for them. So to that end, let's spend the next couple of minutes talking about what that means to us. And I think towing is up first.

So to that end, Carl, I think you're covering towing, right? And I'd like you to spend some time talking about the towing business, help define it for everybody because what's I think lack of clarity around this in the -- in the environment is what it really is, so please tell us more about it?

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Sure. And I think the broadest view of that towing is it fundamental is the -- it's the structural application of a product that boat under the back of a car that enables you to tow something.

And, you know, the interesting thing about that is that, well, everybody intrinsically understand what a tow buyer is or a trailer hitches in North American. The interesting thing is that products are quite different depending on which part of the world that you're in.

The analogy I use is like football. I mean everybody talks about, you know, we play football. But what football means in North America is different to what football means in Europe, so you can be a very good football player in Europe and you play soccer, you play NFL in the US

In the towing market, it's the same thing. You know, the management of teams of and talents and how you play the game are globally acceptable across them and similar across the world but how you actually execute that in each of those individual products of the world are really quite different.

And the key thing about us is the way you execute that towing product line is really quite different and quite unique in different parts of the world but there's a very cool common thing about the way we engineer, the way we manufacture and the way we design and certify these products which is unique to our configuration.

Mark Zeffiro - *Horizon Global - President, CEO*

That's fantastic. So when you think about the next step, obviously, it's trailing, right? John so -- John is going to talk to us a little bit about trailing. The same thing, define what the market space is?

John Aleva - *TriMas Corporation - President - Cequent Americas*

So from a trailering perspective, we have multiple kind of trailers. I mean we have trailers related to boat and marine. We have trailers related to ag and industrial. We have RVs that are also trailered and towed.

And we really focus on a few key items on those trailers. I mean we don't make the trailers, we physically make the couplers and the jacks and the couplers, jacks and winches associated with those products as well as brake controllers.

Now, in the case of the brake controllers, we are the number one player in brake controllers both from the OE perspective as well as in the aftermarket perspective. And we also provide engineered products in the form of couplers and jacks for customers like Deere, Case, New Holland, Ingersoll Rand.

So these aren't just the jacks that you will find at a retail store. Although we also provide those as well, we have multiple solutions associated with these trailer products where we're again, the number 1 market share leader, the number 1 brand in these products.

Mark Zeffiro - *Horizon Global - President, CEO*

That's fantastic. So in the next product set really is the cargo management. And cargo management is -- you know, it's interesting. Nobody wants to leave little Jimmy behind, and with cars getting smaller, the reality is you need to find ways to be able to bring more stuff with you. So again, continue on.

John Aleva - *TriMas Corporation - President - Cequent Americas*

So we have been in the cargo management business for nearly 30 years, we have been providing a waterproof bags and bike racks and carriers for the top of your vehicle, for the back of your vehicle.

We're a niche player. We're not some of the other folks, but we provide these products that allow these customers to get their stuff to their destinations including all the people but then the cars are getting small.

It doesn't matter where you go, the cars are getting smaller and I think car was shipped in Europe and every car having a [car] top carrier of some nature so these products are pretty important to the future of global selling and global distribution.

Mark Zeffiro - *Horizon Global - President, CEO*

Awesome, awesome. The next chat -- and the next section I think is important for us to really answer a question before it's asked is, as you know, as you heard in my video, I said the perfection of broom. Most of you should be saying, "They make brooms?" So what I like you do is share with them why we're in the broom business? Tell them -- tell the story.

John Aleva - *TriMas Corporation - President - Cequent Americas*

You know, we've developed the relationship with our customers that they have actually come to us for help, "Help us in this category, get into this category." On the case of tractor supply, a customer or a Harper who is going on the business, they were going bankrupt and they asked us to get involved.

And we've done this multiple times. We have a history with these customers. We deliver, we deliver on packaging, we did these businesses and we find ways to get products to them and they have a trust with us.

And they asked us to get into the broom business. We bought Harper out of bankruptcy less than the asset value at $6 million or $7 million in revenue. This year, we're going to be at 18 million in revenue and it's going to be an amazing story.

And Harper is an amazing brand, it's 100 years old, and there are the customers, the professionals out there that Home Depot and Lowe's are all focused on love the brand, love the product, needs the product, and we are driving it back through the channel and it's actually being pulled back through the channel. It's really exciting.

Mark Zeffiro - *Horizon Global - President, CEO*

You know, it's interesting, is if you think about what -- John, what's you're saying, I think there's probably a parallel here too. All right, Carl, when you think about --

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Yes.

Mark Zeffiro - *Horizon Global - President, CEO*

-- the two dealer product that you have developed over the past couple of years, why -- talk about that and talk about the meaningful aspects of that.

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Sure. And I think the root of the decision for us to get into the tubular product was I think similar to John. We have very, very strong relationships with our customers,

And to be honest with you, Ford came to us in Asia back in 2009, 2010. And I've got to get involved in the product line because of the conflict of the relationship they -- in the relationship they had with us in our part of the world.

And what evolved was our decision to invest in manufacturing facilities in Thailand and subsequently in South Africa to produce the set of tubular product that you see in the front of that pickup truck but not only in the front of a pickup truck but in the back, there is a sports [power] product that goes in the back. But the customer said, "It's common," we had a customer who encourages tubular product line and we've gone from nothing, added $40 million to the revenue in that particular product set.

The key thing about it though is not only is it based in terms of the OE but we, by getting content on that vehicle, the products that we produce that are installed under that vehicle and platforms like it that are produced in Thailand and South Africa are exported into 150 countries around the world.

Their ability to Trojan horse their line to export market by getting spec in the vehicle and produce these sorts of products that are adjacent to the sort of things we've been producing for 40, 50, 60 years is really quite important.

And then actually, I described to you how important these long-term customer relationships are to us and how we can deliver value and growth out of those long-term positions we hold with our company.

Mark Zeffiro - *Horizon Global - President, CEO*

And it's interesting, is when he talks about it, he talks about Thailand. So we had to actually create capacity, we had to create a business in Thailand to be able to support that customer. So when you think about where we were a few years ago in terms of our global enterprise, it's now big swaps of area of the world that we didn't support.

Now, the question is why? It's because of how the business was built. It was built by acquisition where we bought a North American enterprise, we bought an Australia-based enterprise and we then didn't really do much else.

So the question becomes, is there market in Europe for their products? I think we've already heard that, the answer is absolutely yes. And there are good competitors in there. So what we did over the past few years is we actually built, and you can see all the new red dots, we actually increased the scope, scale and capability of the enterprise, not only to be able to reach our customers in different places on the planet like South Africa but also in Europe.

We -- while we're not number 1 in that market space, we're now relevant in Europe. The only way that you continue to grow with those customers on a global scale is to be able to see relevance in their marketing -- excuse me, their manufacturing locations and then their marketing location. So that's what we've done over the past few years.

So let's shift gears a little bit more and let's talk about customers. And before I hand it back to Carl Bizon, I'm going to ask Carl to take us on a little bit of an OE journey here. 5,700 customers, no customer makes up more than 10% of our revenue. How the top 10 customers are -- don't even represent 40% of the business.

So there isn't a concentration issue here with, you know, a big retailer or a big auto OE. That's not the consideration. The consideration here is again, get back to the diversity of the business in terms of channels that we talked about, OE, retail and aftermarket.

The realities of it were that incredible complexity is what we managed well. We managed the fact that we have retailers that are very, if you will, demanding customers. We deal with aftermarket distributors that are very demanding in their own, right, but different in that respect. And we are able to be able to manage that diversity and that complexity as a business.

Now, when you think about it, I could spend a lot of time talking about those end markets in which we serve but I think you've heard it from the guys. It's not just work, it's not just play, it's ag, it's construction, it's all the things that we've may have mentioned.

But with that said, let's -- let's take a little bit of the shift here, let's talk about OE. OE is a big question. I mean most of people, Carl, when they hear OE, they could kind of -- kind of nervous. Why and tell us -- tell us about that business?

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Thanks, Mark. In the OE side, I think the important thing when you look at that chart is that there are a lot of car company brands today. We deal on a global basis with 65 car companies around the world, 65 individual brands.

So there is almost no common effect right here that we don't have commerce with in some way, shape or form. I'll talk a bit about that and how that works a little bit later on. But the important thing is that we are very, very comfortable dealing with these companies all around the world developing motor vehicle accessories all in, in the way that we want them.

And one of the -- one of the funny things I'll say is that every single one of the customers that's on that chart and the ones that aren't, all speak their own language. And one of that core competencies is we speak 60 different languages.

Because I can guarantee you, the way you go to deal with Fiat or the way you've got to deal with Carver or Ford or General Motors or Volkswagen or Audi is completely different, and not only they're different but it's the way they operate different in every part of the world and we really are quite unique.

But to give you an example, I mean we're in Italy the other week helping Lamborghini design a trailer hitch for one of their new SUVs, Lamborghini Maserati. I mean who would have thought five years ago that we'd actually be in Northern Italy dealing with Maserati on designing a trailer hitch for an SUV they are about to launch on a global level?

Can be further away from an (inaudible) Northern American

Mark Zeffiro - *Horizon Global - President, CEO*

Now, what's interesting into that respect, Carl, is the fact that you have to manage those relationships and the like. Talk to me a little bit about the aspect of how you engage them differently?

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Every single one of the customers that's there, I can see the difference. But one of the things that's playing to our unique position is they're globalizing and they're taking more control, and again, I'll talk about that in a minute.

Mark Zeffiro - *Horizon Global - President, CEO*

Okay.

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

So we have a unique ability to the auto dealer, the Japanese car companies. We're in the Japanese car design. We're uniquely positioned to deal with the Europeans. Headquarters could be in [Kaline], headquarters could be in the UK, headquarters could be in Milan.

And if you really want to get into these guys, you've got to be local, you've got to be able to speak their language and you've got to be there when they need you, and that's not jumping on the plane from North America or jumping on a plane from Europe and heading out to the US

It's critical that you engage with each of these companies in the way they want to engage, and also have a handle on the cultural sensitivity to dealing with every single one of them in their own site.

Mark Zeffiro - *Horizon Global - President, CEO*

Okay, fantastic, fantastic. You know, it's interesting is when you think about OE, they're filling one channel of our business. Obviously, aftermarket is another one. And, you know, we're at different positions across the globe. And to that end, John, why don't you talk to us through the aftermarket side of this, how it's evolved maybe differently in different parts of the world and tell them how our brands play?

John Aleva - *TriMas Corporation - President - Cequent Americas*

Well, first of all, the aftermarket really was developed from the traditional model of retailers, distributors and installers. And we are still the leader in those channels across the globe. We still have the number 1 brands and the number 1 market position in all of them served.

With that said too, we are also back to that original message that Mark gave us, we have had these relationships with these folks for 20 or 30 years. I mean these guys know us, they know do to do business with us, they like doing business with us. And it's why we've been able to maintain that kind of share and that kind of that market position in nearly every part of the globe. So it's pretty -- it's pretty easy to do.

Mark Zeffiro - *Horizon Global - President, CEO*

Very good, very good. And obviously, at least retail business, right? And when most interesting about retailers I think about, "Oh, retail as a channel." I want to tell you, it's actually mush more complex than that.

John, give us, you know, your view in terms of -- for actually from really North American-centric perspective how you go-to-market?

John Aleva - *TriMas Corporation - President - Cequent Americas*

So if you look at the slide, I don't think you're going to miss many retailers on there. When we talk about share, this is the position where we have the lion share of this channel. We have been able to leverage the Reese brand and products to go across all of these channels and they have taken hold.

We've had a conservative effort in the home hardware centers and we have grown that business tremendously. The whole retail space has been in a great growth story for us for the past, let's call it, eight years.

And we are now in a position to continue to deliver different products, different -- different categories and different items as they drag us into different things that we've talked about earlier.

Mark Zeffiro - *Horizon Global - President, CEO*

Yes, sure, for sure. Is there -- is there a concern we have with private label in the space?

John Aleva - *TriMas Corporation - President - Cequent Americas*

No, not really. I mean ultimately, the retailers are actually getting back to brands. I mean they've wore themselves out and trying to fight at the bottom. Brands are becoming important to them.

And if you'll hear a little bit more when we talk about each channel, and so these folks want to be able to offer good, better or bad. So the brands are still extremely important.

Now, there are sometimes where we will do a private label brand or even a semi-private label because we will still put our name on it or our brand on it, but ultimately, we still own the space and they still work with us in most of the cases.

Mark Zeffiro - *Horizon Global - President, CEO*

That's awesome, John. Now, what we're going to do is we're going to take the next step in our -- in our day here and we're going to spend a little time talking about platforms for not just what you heard here which is really about the development of the business as it stands today, now what it stands for necessarily in the future.

So we're going to talk about five platforms for real differentiated growth and we're going to spend time talking about the e-commerce channel.

Now, John has been really on point for this for -- as a company. This is the fastest growing customer set, fastest growing channel for us as a company, so we're going to talk to you about how we're advantaged in that space and John is going to take us through that.

Ultimately, I've got a -- I've also got to be able to answer a question of global OEs, and the fear associated with these, associated with an OE, and Carl is going to dispel any questions or answer any questions that you may have in that respect.

Then I've got Paul Caruso who is kind of a -- he's a man with a bag in travels. Paul has been our employee for us in terms of development of market spaces. He's been in the industry quite some time.

But most importantly, what he is going to talk to us about is Latin America and China and why those two markets maybe not today are the most important to us but in the next decade will become the most important to us.

And then ultimately, it can't be successful without manufacturing and manufacturing more effectively. So Mike Finos is the leader for the Americas in terms of operations but he's got a global set of responsibilities in that because he spends a lot of his time in Asia.

He's going to talk to us about the culture and the nature associated with global operations from an OpEx perspective, and the commitments that he is making to us as a CEC around his ability to generate productivity.

So with that said, John, I think you're first up.

John Aleva - *TriMas Corporation - President - Cequent Americas*

Thank you. I appreciate it. Why e-commerce is the value driver? Well, I think you heard Mark mentioned it's the fastest growing channel, but it's also the most profitable channel. Why e-commerce? Mark talked about we're not just a metal [banging] manufacturer, we're a consumer products company.

We have to be close to the end consumer. We have to speak to the end consumer and we have to engage that end consumer. That end consumer, as you saw on the video, uses our products everyday to enable his life. And he has changed, that end consumer has been changed by e-commerce.

So here's what I'd like to accomplish. One, that you understand -- we, Cequent, understand the end consumer, what's important to them and how we interact with them. Two, we have in our global footprint and in certain geographies all manners of e-commerce to reach that end consumer.

In addition, we have been able to utilize or be able to use all of those e-commerce in one region without having a lot of conflict.

Finally, we will be able to use those and leverage those levers and engage that end consumer to drive revenue growth, margin expansion, global relevance in all the channels we go-to-market in, and finally, engaging that end consumer and giving them an incredible shopping experience.

So what I want to start off is with the premise, is the end consumer will -- the end consumer will ultimately choose how they want to get our products and services. And e-commerce has driven that change.

Today, from an omni-channel perspective, every one of you expects to be able to shop online or to use your phone, PDA, you can do it at the store. And what this has done is been able to expand the amount of material, the amount of information and the amount of products that we've been able to sell and reach to you.

Second premise I want to talk about is about all the channels of commerce that reach the end consumer. It's very complex but we are able to do all of these today. I'm going to walk you through them slowly and make sure you understand the various steps and the natures as we move forward.

I think you heard me talk about earlier when it comes to the traditional channels, we are still the number 1 share leader in these channels served. So back in the past, the manufacturer really never engage in consumer.

We either sold our products to our customers whether that be retailers like Wal-Mart and O'Reilly and Home Depot or we dealt with installers, the do-it-for-me guys, whether they are mom and pop shops down the street or there are some -- you know, there are some industrial ones like U-Haul and Pep Boys who engage more from a retail methodology, but they have the installation-based and they could put the product done for you.

And then we have WDs like LKQ and Redneck who distribute our products to smaller folks who really can't buy direct from us. This is the old model. And look at how far we are separated from the end consumer, along comes e-commerce, and we bought e-commerce. We talked about why it's important because we've -- it's our fastest growing channel, it's got our highest margins and it's been able to expand the products we can sell to our end customers.

So Amazon comes along and changes the game and we have used Amazon to reach the end customers, help them understand why they want to buy our products versus somebody else is. Well, the retailers aren't going to have that, so all of the retailers have added their own e-commerce. And then it's been a win-win for us and our customers as well.

Let me give you an example of Wal-Mart. You can go to Wal-Mart, you can stand in front of the category called towing, you can pull up your phone, you can shop walmart.com, you can look at the hitches and the products that are available, you could buy a hitch, you can have it shipped to your home, have it shipped to your store.

You can upsell yourself by reading what's there and buy something better than what's on the shelves, you can get the stuff from the shelf. And ultimately, we're going to be able to provide you a solution where you're going to instantly get it installed for you.

And I challenge you, look at Wal-Mart, you're going to find our OEs products on walmart.com because we're a leader in that channel. But we've also had the ability to inquire or a way of reaching that end consumer direct. And this is the unique model that many of our customer our competitors just do not have.

In the case of a couple of acquisitions and very specific markets particularly Witter in the United Kingdom, we can sell a bundled solution via the Internet to an end consumer. It includes installation, the hitch, wiring, a trailer ball, and it's all installed for us call it GBP400.

You can set up if you're online, while you're sitting there, you can set up an installation with an installer. They'll even come to your driveway or your place of work and install your hitch for you.

The second acquisition was Parkside which is one of the company-owned installer store. You come in, you shop our products, they'll install them for you or we have a company band that allow you to have it installed wherever your place of work.

In those particular regions, all of these channels as complex as they are, as cross -- as they cross over, they then co-exist, and that's where what we would like to do is be in the position in all markets we serve to be able to leverage these different channels.

We're not going to be able to pick the winners or the losers. We only need to engage that end consumer, excite them, have them buy our products, our breadth of products and have them have access to all those products.

And if we do that, we are going to win in all those various markets and that will drive global revenue expansion and those markets are -- it's going to drive margin growth and it's going to build our global brand and make them relevant in every channel.

Think of that -- go back to their traditional channel. What do you think Wal-Mart would say if our brands were stronger and stronger? They're going to -- they got to have them, they got to have them today.

Finally, changing that shopping experience for that end consumer also changes the game. It makes the brands more relevant and makes them more likely to buy our products.

So with that, I'm going to turn it over to Carl Bizon. He's going to talk to you about automotive OE. He's going to explain to you how we are global towing company and the only global towing company to actually be able to engage these global platforms of vehicles that the autos -- auto manufacturers are starting to produce.

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Thanks, John. As you've kind of heard earlier, I'm responsible for what we call CAPEA or APEA. And rather than the APEAB, some sort of slice of that, the American [Bureau of Australians] or APEA is actually Asia Pacific, Europe and Africa.

And as you can tell, I'm in Australia and then I'm based in Melbourne, so if any of you need any frequent flyer miles, I've got plenty because I'm being responsible for the sort of geography I've got. I spent a fair bit of time in airplanes, so let me tell you a little bit about that.

Look, one other thing that's been exciting for me when I join this -- since I've been with this company is that why we've been able to internationalize the business. And what came part of that internationalization is that why we've engaged with the automotive OEs around the world.

And one of the things I want to do is talk to you about what OE is and what OE isn't. And I think, you know, OEs, in some places means operational excellence. In sort of our language, OE means original equipment.

And by original equipment, we mean that we make motor vehicle accessories to the car companies. The easiest way to explain is what you would call a genuine accessory. So when you go to buy new motor vehicle and you get that brochure that says it's sort of roof racks or a trailer hitch or a roof box or a bike rack that say that General Motors-genuine or the Volkswagen-genuine, a BMW-genuine, we're the company that makes those kinds of products and we make them all around the world.

The unique thing is that again, as I mentioned earlier about the languages we speak, is every single one of those customers has very unique capability -- a very unique requirement about the way those accessories are created, and we do that very, very well with each one of those companies all around the world.

That unique capability is what ultimately drives value for Horizon and why our internationalization and globalization is really going to deliver value for this company and to the shareholder.

What I'm also here to tell you is what OE isn't. We are not OEM, and by OEM, I mean we are not a company that sets up a plant right next door to a motor vehicle assembly plant and punches out stamped [pots] and supply them to a motor vehicle assembly line to make cars. That is not what we are. That has all issues around risk and margin and I want to be very clear that that OEM part of activity is not what we're about.

When you think about the world in which we operate, the global market for accessories is growing. Why people do is they buy our accessories to change what they do on the vehicle. So they will buy -- when they the car, they will buy a trailer hitch, they will buy a set of roof racks, they'll buy a roof box, they'll buy some sort of product that they want to add to that vehicle to change or to enhance that vehicle usability.

They want a towboat, they want to put something on the roof, they want to go on holidays, they want to tow and escalator because they're landscaping contractor. Those sorts of accessories are out of those vehicles.

The interesting thing is that the success of those accessories and the consumer demand for them has led to an environment where the car companies are tapping into that market. What they want to do is they want to control the sale of those accessories.

And the reason to why they want it is because they can get additional revenue from those accessories and also that provide their dealers an opportunity to get more margin at you when you buy that car.

So you get squeezed when you're picking up a car or would you like roof, racks, would you like a trailer hitch, would you like some [car mats]. It's the way they give their dealers a means of adding value.

Historically, that activity has been a regional effort which means that those car companies around the world have kind of list it to themselves about, you know, what do I do in South America, what do I do in Europe, what do I do in Australia.

They kind of left that to the - either their own subsidiary distributors or they left it to the motor vehicle importer, [began] organize what they would loosely call genuine accessories.

But I've got to tell you, in the US a couple of years ago, there are a couple of very significant field issues around motor vehicle accessories. You might remember a very large company that had a very big issue around some [comment]. Huge field campaign about some cheap, crappy comment that was sourced out of Asia that caused a massive problem.

The guys now, the car companies are getting very, very careful about what goes after with their brand on them. So they are looking for companies like ours who have the capability, the backing and the substance to be able to develop genuine motor vehicle accessories for them and deliver out in all those markets where they'll sell all those cars.

Let me talk about the environment. Years ago in the past, all those different geographic areas in the world were all individual car markets. You had America with a typical American pickup truck. Those vehicles are quite unique.

People in the US buy a pickup truck because they want to tow something, they want to use it for commerce, and apparently, some people even drive them to work. How you commute in a pickup truck but apparently people do.

When you think about Europe, you can look at the sort of vehicles that are on sale in Europe. They're compact, they're small, they're sedans, they're small SUVs because I don't think you got to imagine parking an F350 in a backline and run.

So when you think about the way the car parkers around the world, you have developed a product line that's really -- that's growing up quite unique to those particular markets. Look at the Asians with the sort of products that they have developed and even a small market, a market in Australia has ended up with a couple of motor vehicles, a couple of range of motor vehicles that are actually quite unique to the Australian marketplace.

The interesting thing is that those vehicles are actually getting phased out in 2016, so the globalization has actually hit our vehicle industry in Australia, so again, quite specific vehicles, growing up for a whole set of circumstances, unique to those areas in which they are being developed, but the world is changing.

And I'll tell you why, because I guess post the GFC in 2008 and 2009, the car companies were really struggling for margin and they looked at all this development activity that was happening all around the world and said, "We need to got to start commonizing platform. We have got to start developing global vehicles that we can sell in the multiple markets."

And I guess from the examples up there, they really are quite global. The Mercedes Sprinter up in the top left-hand corner, you can go to any developed car market around the world and you will find that global vehicle.

The bottom left-hand corner, that Ford Ranger pickup truck, that's Ford's global pickup truck. In the US, you call it a mid-size, but that one particular vehicle, that's made in a motor vehicle assembly plant in Thailand, South Africa, Argentina and very soon, in China, exactly the same vehicle. That vehicle is exported all around the world pretty much except for North America.

A key opportunity for us is as we develop products and programs that get bolted onto those vehicles, we get access to markets all around the world that you can't get if you're not a global player.

If you look at vehicles like the BMW X5 in the top right-hand corner, that's another global vehicle. That's a vehicle that's made right here in South Carolina both in left-hand and right-hand variance exported all around the world.

The motor vehicle accessories, the BMW choose that vehicle were all expect to be irregularly different, fundamentally the same all around the world. The roof racks that you buy with your local BMW dealer for your X5 when you, guys, are snow skiing, they are the same roof racks globally.

As we think about the world, these vehicles are going to start emerging in more and more countries. You can end up with a hybrid. The US has got a range of European vehicles. It's got -- sure, it's got its own traditional pickup truck.

But as you get the more markets like Australia, South Africa, Asia and the Middle East, these are all global platform markets. And eventually what you're going to end up with is more and more places around the world where you're actually getting more and more global vehicles.

And it might not be exactly the same car, it might just be a platform. You'll get the same platform delivered in slightly different variance in different markets but because the platform engineering is the same, that creates a unique opportunity for us to generate value and growth.

This is a perfect example of our global SUV. What we do and how we add value to our customers is that frame to get bolted under the back of that car. That is bespoke engineering, customer-specific, highly detailed engineering output to create a piece of steel that fundamentally bolts under the back of that car, that that car companies are comfortable with.

So you can imagine the sort of work we've got to go through with BMWs which is the piece of steel that they are comfortable to bolt under the back of their car and pull 3.5 tons anywhere in the world.

The unique value proposition that we've got is we are able to produce that same engineered structural piece of fabrication but deliver it in a particular style that's relevant into those individual markets.

So what you can see up there is not only the North American version, or the Australian that's on the bottom, we've got a South African version or the European version but the actual structure still, the actual component that we have been sourced by BMW is exactly the same all around the world. That is a unique competency of being a global company, it puts us in a very, very special position.

That sort of paradigm is something that's going to help Paul Caruso that you're going to hear from shortly, as we expand into some of these emerging markets like Latin America or in China, our ability to take from a basket of products of international significance to actually take advantage of those opportunities no matter which way it goes.

Where those markets end up going, European-style, where they end up going American-style, it doesn't matter. We have got it now. And that's going to be important as we find our way in some of these new and emerging markets around the world.

And the important thing is, and the key takeouts, global engineering, regional design and local supply, that's why we're in all these markets. Every single market in the world that understands towing and motor vehicle accessories, we are now the part of the globalization of that business.

So again, let me talk about the growing market. The market for motor vehicle accessories is growing. The OE, the car companies, they're getting more interested in it, they want to take control, they see it from a brand protection perspective as well as a means for them to grow their revenue and also to grow the revenue of their customers of the car dealerships.

These [trains] around global vehicles, they are playing into a very unique set of circumstances that suit us as the only global supplier in this marketplace. And Horizon and the internationalization of Horizon and Cequent business puts us in a very unique position to take advantage of that in the future. We are absolutely making that position.

Now, what I'd like to do is to introduce Paul. Paul Caruso is our VP of Business Development and International, and Paul is going to take you through how we address some of those key emerging markets both in Latin America and also in China. Paul?

Paul Caruso - *Horizon Global - SVP - International and Strategic Development*

Thank you, Carl. For this afternoon, what I'm going to show you is how we are building platforms for sustained growth in the markets of Latin America and China. And we have three key competencies that we believe are -- will enable us to do this.

First, you heard earlier that we sell across multiple channels. This ability to sell to select channels and our capability of selling across multiple channels gives us tremendous flexibility when we look to a new market. It also helps us reduce risk of entry in those markets.

The second competency is the -- is what Carl was just talking about in terms of our product portfolio. We have a global product set, not global products because there is a lot of localization that happens for our clients, but we can select designs from this product set to satisfy the local market condition.

The third capability relates to our depth of experience in the markets that we participate in. And what we found in traveling around is these markets are developing in the emerging markets in ways that look very familiar, in ways that we have experienced.

So first, let's talk a little bit about why Latin America and China. Well, there are two layers to this answer, and the first layer is just math. And you have -- in each of these markets you have already a large installed base of vehicles, but you have -- and you have low penetration of our products into those markets.

But you also have growth rates, in Latin America, the vehicle population is growing at a rate three times as large as North America. In China, it's growing at a rate nine times larger than North America. So if we have to find a place to position ourselves for the long-term, these are the places.

The second layer to the answer is much more specific to our company and our customers. When -- the best way I can explain this I think is to tell you about our experience when we first started going into these markets. In Brazil, it was about four years ago, we took our first trip down there, stepped up the airplane and expected to see virtually nothing that looked familiar to us. We've had low expectations of the readiness of that market for our products.

But what we found was something completely different. What we found was that looked like the US look as we began to go into our growth phase for automotive accessories. You know, we experienced 25 years ago here in the US and these companies that have come together to create what we are today.

We experienced tremendous growth about 25 years ago and that's what we saw in Brazil. And a lot of that was driven off of the increasing popularity of pickup trucks and SUVs and we are seeing that every day in that market.

The other thing that we're seeing in Latin America is growing adoption of our products In Mexico. And that's evidenced to us by our export number increasing in the last couple of years. They have increased a lot of products that we're exporting from North America into Mexico.

But also in our existing customers pulling us into the market here few years ago, AutoZone started pulling us into that market as they develop the Mexican market. We're also seeing the same thing in Brazil. Now, AutoZone is -- has entered the Brazilian market and we're doing business there.

And China is a little bit different story. You know, China is earlier in its adoption of our products. And frankly, when we went there, we didn't expect to see a market that was anywhere close to being ready to start towing products.

But what we found was the market getting organized. We went in, we made a couple of friends when we were in China. One of them had a retail store and it was outdoor lifestyle retail store. They catered to people that did camping, four-wheeling boating which is not a huge segment in China now but to my surprise, these things are becoming popular.

And this store was as good of a store as we would see anywhere in North America in terms of how it's merchandized, variety of products, and just really focused in and catering to that active lifestyle.

The other friend we made there, owned a company that manufactures RVs and RVs for consumption within China, not to export to some other market. And we had a premise that there weren't any vehicles in China that can tow an RV around until he showed up and picked us up and there's Ford F350 Dually and then we decided there were a few of these things here and started feeling pretty good about possibility of this market starting to adopt their products.

One thing that tied these two together is they each were engaged with clubs and these clubs were around the lifestyle. And these are where the enthusiasts are starting to call us. The guy that had the retail store, he had a club that was just constructed of his customers and local people, this is in Shenzhen, China.

And w thought that was pretty interesting and it was nice they were getting together and then he told us that he had 30,000 active members in his club. And that means that if they had weekly event and that these people would have participated in these weekly events over the course of [April], so these people are in the lifestyle.

Then we talked to the -- our friend that had the RV business and he told us about a club, a little bigger scale than this, it wasn't just the local Shenzhen scale, it was across the country. And we asked him how many members they had and he told us they had 1.3 million members in this club.

And that kind of put us on our heels and told us this is -- this was a place that we need to be in the front of these people, they're smart, they are approaching adoption of these products and we -- you know, we're getting a lot of [licks] lately about how Apple was having some pretty bug experience (technical difficulty) iPhones and the nature of that market is rapid adoption. So after coming back (technical difficulty) they had the target (technical difficulty) all in terms of where we wanted to go long term.

So the things that allow us to do this, the most tangible capability that allows us to do this is the fact that we have this global product set. And what Carl talked about in terms of the different styles of products for different regions, it applied equally the aftermarket. It's not just an OE phenomenon.

Then we -- every day, we borrow designs from Carl's team in Australia or team in North America to get those prepared for market in South America. So it's -- we're seeing leverage everyday of this capability.

The other thing we learned in Brazil is that our company, a professional company showing up in the market that's not really how we're organized, it's very fragmented, a lot of small players, they're pretty difficult environment for small business to operate.

The fact that we showed that we obey all the laws, we pay our taxes, we obey the regulations, we have the premiere customers in that market all came to us when we showed up there because they wanted to do business with a company that was going to be there in the morning when they woke up and someone they could count on.

Maybe the most powerful tool that we have in developing this marketplace is the ability to sell across channels and to service multiple channels. We have the ability to say -- to address the market -- market developing in Brazil. I mentioned it was similar to the US and marketplace including the channels.

So they (technical difficulty) installers which was the core of our (technical difficulty) we sell to the wholesale distributors in Brazil and also a retail segment that's just evolving, and we sell to OE customers.

Thank you. And we sell to -- is this working? Hello? All right. If you can't hear me, raise your hand, I'll talk louder.

We sell to OE customers that are always our customers in -- also our customers in other parts of the world and that we went to them and said we're going to globally serve the Fiat, who happened to be in Brazil.

But what happened is when we walked into -- well, more typically, when they walked up to us in a trade show in Brazil, [birth] who we were they want to do business with us. So it's a less sophisticated supply base for accessories in Brazil.

We are there, lots of cars manufactured in Brazil and we have all of the OEs wanting to do business with us. So that credibility factor is key and familiarity with us from other parts of the world has really helped us to development. So this multichannel capability is really powerful.

The other thing it's done is it's helped us mitigate risks, so, you know, Brazil is tough place to do business right now, but what we're enjoying is year-to-year growth each quarter in spite of that -- those economic headwinds.

And that's -- that (inaudible) because we are penetrating across these multiple channels. If we bought these companies and just stuck to their [needing], we didn't have that capability, it would be -- it would be a much tougher road ahead than it is today.

So where are we? Where we -- you know, we'll probably have a plan for a plan in this strategy. We're in the middle of the game right now and we have a platform in Brazil. We brought two market leaders, put them together, did that consolidation and we are now ready to start stretching out across South America from that platform.

In Mexico, we are moving from Mexico being a manufacturing base for us and a source of some export sales to being the Mexican company capable of developing that entire market. And in July, we will have the legal entities completed and we'll have a feet set and we will start developing business in Mexico as a Mexican company.

And Carl mentioned earlier too an important part of how we develop markets just to be local in that market, supply locally and understand the market and the culture in the market. And that's what we will begin to do in Mexico now in the commercial side.

In China, we actually are in the process right now of becoming commercial in China. We have a small OE program. It's not the end game, it's not something we want to pound our chest too hard on because it's a small program, but this would help us get into that market in a way that we haven't been before.

We've been in China with a supply there for about 18 years now I think. But we haven't been in the commercial side of that. So we get to actually start exercising those muscles in a pretty low risk environment, one smaller program.

But the important part of that is now, we're going to be in country and we're going to be standing right in front of those enthusiasts that are getting ready to adopt the lifestyles and the products that are -- that are so important to us.

So let me -- so what I'll explain to you is how we're positioning ourselves for this long-term sustained growth built upon the -- those -- the three pillars, the multichannel, the diverse global product set that we have and this deep market experience.

And so I'm going to turn this over to Mike Finos now and he's going to tell you about operational excellence, but while he's doing that, I want you to think a little bit about the multiplier that we're going to get as the initiatives that Mike implements and our growth kicks off in these markets that we can leverage those things.

Mike Finos - *Horizon Global - SVP - Operations*

All right, Paul?

Paul Caruso - *Horizon Global - SVP - International and Strategic Development*

Yes.

Mike Finos - *Horizon Global - SVP - Operations*

Okay, good afternoon, everyone. I'm an ops guy, a 100%. I'm very passionate about ops. I've been in operations for 30 years and for just in this industry, I've been hopefully over 20 years.

And I have to tell you, I'm a kind of guy that likes going into a manufacturing plant and seeing product get built. I like seeing our presses running, I like seeing the lasers cutting, I like seeing product being hung on our paying line, shipped out the door (inaudible) quality, getting it all to our warehouses, I like seeing our guys, I like seeing the inventory in our warehouses, I like seeing our guys pick them, I like seeing them ship them, and, of course, I like to see us reimburse our customers as well too because they got to get paid, right?

So I'll tell you, we are very, very fortunate in our group. Mark talked about it, Cequent spent millions of dollars in distribution and manufacturing investing in our footprint over the last couple of years.

Now, it's my turn --team's turn to take that footprint and that really solid foundation that we have built, drive value through the organization, reach to our customers and ultimately to our shareholders. So we've got some work to do but we obviously have a team to do it.

So how am I going to measure that? I am targeting 2% to 3% every year productivity gains. So it's not like a small number but it's $10-plus million every year for the next several years. So a little bit further in the presentation, I'm going to talk to you about the initiatives that we got to up this year to make that happen and then I'll go a little further after that going for the next 18 months to talk about how we're going to do that as well.

So the next thing I want to talk about my team. Again, we invested a lot of money in manufacturing and our facilities and equipment, and now, it's time to invest in our team members.

So I've been very fortunate. Again, over the last 10 years, Cequent has consolidated many different businesses. And as they've done that, I've been offered the affordability to pick and choose my team and I really believe that I have an A-team on my operations team.

So if think about it our vision, it's really simple, it's to be the best, and I also want our customers and our competitors to recognize us as the best operations team in our industry.

You know, we've hired 700 employees in Mexico in the last two years. So we're in the process of building a culture, and the most important component of that culture for me is continuous improvement. I want my team waking up every day to be thinking about how they can do a better job, taking out efficiencies and taking out costs throughout the organization.

So now, let me get a little bit more detail about our cost-cutting and that commitment I've made of over $10 million-plus as a target for productivity improvements. The way I look at costs in operations, I kind of bucket them in four different ways. I look at purchasing which is our biggest spend, manufacturing, freight and also distribution or what I would call warehousing.

So if you see the buckets up there, maybe it's hard to believe some of the initiatives, but we have lots of opportunities this year coming off of some of tough year the last year, taking costs out of the system.

Our purchasing, 50% of our grids are purchased overseas, 50% we buy. So the material steel costs are down 20%-plus year-over-year. That's really the opportunity to take out costs.

We also brought our supply chain much closer to our Mexican plants and we've upgraded our material management teams as well in Mexico to make sure we only have an inventory that we need going forward, so some of these opportunities are in our purchasing bucket.

Manufacturing, we've talked about the big investments, last year is a bit of a challenge towards the beginning of the year. The money is starting to fall out too right now. Our productivity is up double digits. Every part of our manufacturing has improved in the last six months and the executions continue to get better every month.

Freight, we did not have product for part of the [warehouse] well because we did not produce it. They have to pay a premium for that freight. It costs us, we have a product today, that premium is growing. We no longer have a freight issue. In fact, we have more focus on freight right now than we ever had in the past.

As well, mid last year, when you move that factory to Mexico, our steel was all in the Midwest. So we spent the last year and a half moving many of our suppliers over into Reynosa area maybe two hours away instead of two days trip, so a couple million dollars in freight savings this year over the last year just for making that move. We're not done. We have a little bit more work but we're getting close.

And finally, distribution, well, that's a longer term growth to really reading out our distribution system and to automate it. For right now though, we're focused in there. We have a lot of distribution centers and warehouses so we are focusing on commonizing their practices and making sure that we are the most efficient group possible and delivering to our customers and being prepared for our reading out and being able to be more efficient with automation going forward.

So I truly believe that the 2% or 3% goal that I have set was very achievable for next year. And now, I'll talk a little bit about some of our projects going forward for the next 18 months. So I really have eight different projects or initiatives on the board. We have many more than that, these are our key ones. And I'll hit maybe four or five of the top big ones.

So China, we're up 80-plus vendors in China. I don't need 80 vendors in China. I need -- I need 20 or 30 vendors. We're going to spend the next year consolidating rolling up the small vendors into a larger vendors, partner with them and give you some others or give you some opportunities with volume to be able to cut down some of our products.

At the same time, we're looking at possibly opening up a factory in China. Carl's business OE is growing rapidly and we really need a solid service in China that could grow our quality, on-time shipments to our OE partners and OE customers.

Mexican supply footprint, optimized, but we need to tweak it. We're 90% done on our Mexican operations moving in from the US. I still have some vendors I need to move closer. We still have some products that we have to ship back and forth to make sure that all of our plants in Mexico are providing most efficient for that variable cost effect of -- method of manufacturing.

Throughout all of our manufacturing facilities in Horizon, we're going to implement what we call an HPS Horizon business systems tool. And that time, it's going to commonize our groups by making sure that we standardize our processes, our metrics, our cost systems, our SOPs, every part of our organization so that we want to shift business from one plan to another. It's easy to do. It has to be apples to apples.

One last thing I probably want to take and emphasize again is the continuous improvement. You know, it is not (inaudible) in our team over the last probably a year and a half to focus on continuous improvement and go to Lean Six Sigma classes.

We are implementing our own training programs for Lean Sig Sigma over the next 12 months within our operations group giving everyone their opportunity to participate in that training and also to participate in ideas and projects to help reduce cost within our group. So again, our culture is very driven on continuous improvement.

So now, I'd like to leave you with just a few takeaways. Again, we invest a lot of money in our foundation. It did not pay off last year, that's for sure, but as the year went on, we executed better and better and better.

And my team is very experienced. It's committing to taking out the 2% to 3% over $10 million-plus cost productivity improvements over the next several years.

Our performance again, we had a record performance. Our Reynosa manufacturing facility today has outperformed every month in the last six months, our Goshen, Indiana facility that we've opened for 10 years. So it's really quick and our quality has improved, our cost go down and we have happy customers right now right now.

So again, what I'd like to leave you with that's very important is we had some challenges, we've got -- it's a big deal to me, plants to a different country, to move our distribution system. We threw off a lot, we took it on, we had some challenges early 2014.

By mid-2014, we stabilized, by the end of 2014, we started executing really well. And I got to tell you, in 2015, we're killing it right now. We're doing a really awesome job and I feel like it's going to continue going on.

I feel our team was the right team to support this new Horizon Global business and I think we're prepared to do it and we're really excited to be part of it.

So thanks, I appreciate it. David Rice is coming up next. He's going to talk a little bit more about value creation and also tell you about why we believes that we should be a standalone company going forward.

David Rice - *Horizon Global - CFO*

Thanks, Mike. So I've been in operations finance for about 30 years, (inaudible) Cequent and TriMas. And (inaudible) CFO (inaudible) Horizon, we were very excited about this opportunity and excited to be here today. So thanks for your (inaudible).

What I'd like to talk to you about (inaudible) that we have to create value in the organization and a little bit about our preparedness to stand alone as a public company.

That starts with our stable environment. There we go. So you've heard from Mark and Carl and John on the brands that we have across the world and the strength of our existing portfolio. We will continue to invest in these brands and to protect them.

Mike talked to you about operational excellence and how we plan to get cost productivity saving at 2% to 3% every year out of our existing facility. I hope you understand how that rolls up into our equation.

And finally, Carl, John and Paul talked about the benefits of our long-term customer relationships in the multiple channels that we serve. All of these provide the foundation upon which we build out organization. The future then starts with -- initially with our capital structure.

So our capital structure is designed to create both operational and strategic flexibility. Now, it will start with a supply chain finance, so we'll have short-term finance -- or vendor financing in place to provide (inaudible) of payment for our vendors and also to give up a working capital lever.

We have an asset base loan below that, that will provide ongoing working capital needs. And below that, we'll have termed debt. Now, in terms of the termed debt, the exact structure is not yet completed so I can't show that with you yesterday nor can I share what the equity split will be on TriMas shares. But we expect to have that to you shortly as we file the next version of our S-1.

But really optionality in terms of our ability to perform comes from performance, and so let's take a look at what our starting point is there.

Okay, so in 2014, you've already heard a couple of times about the muted operational performance of the business. And as Mike talked about, it was related to lots of moves of our businesses to Mexico and the acquisitions that we made in 2013.

Even in spite of that, we have $40 million of excess cash earnings to the point of business. Now, you, guys, are all really good at math so you know if that number is not included into that debt service cost or the relationship that it's adding that service cost (inaudible) tax rate.

But if you think about that number, about half of that number is available for us to deploy, driving -- to execute on value drivers and invest in our business. And that's just the start. So where we're really focused is on growing our margin.

So we will have a relentless focus on margin expansion, and we have clear pathway to do that. Initially, it starts with return on our structural investments, the moves we've made to Mexico. And I think Paul -- Mark talked about it earlier, that we've already experienced improving year-over-year. We have a target of 10% to 15% of productivity improvement out of those Mexico facilities, and we're seeing that today.

Our acquisitions are now growing in local currency. We're facing some currency headwinds as they translate but in local currency, they are growing. And in fact, our South Africa business is expected to double in size this year.

Consolidation in the Americas, as we -- as we put -- as we announced the Horizon spinoff, we took the opportunity to consolidate the historical performance products business and consumer products business into one Cequent Americas.

Initiatives identified as part of that integration have already yielded $4 to $5 million in annual run rate savings to help offset the cost of being standalone organization.

And finally, Mike talked about continuous improvement, that annual productivity commitment that we will use to fund future growth.

So as we generate this excess cash earning in the future, how do we plan to allocate it? So initially, debt service, we expect and believe that a handle of about two times net leverage is where we need to be to have the operational and strategic flexibility to execute our plans.

Operationally -- sorry, organically, we'll continue to invest in the acquisitions that we've made recently as those businesses then begin to create value for our organization.

We'll continue to invest in equipment. As Mark talked about, we had -- we are the beneficiaries of a fairly modern product set of assets. Given the $50 million in investments made over the last several years in our equipment, we have an asset base that's more than half of which is less than three years old. We will continue to invest in modern tools and equipment.

And finally, M&A activities, this will always be part of our strategic plan. Paul Caruso leads that effort for us. But we'll look for products, geographies or technologies that we can leverage through our existing supply chain and channel. We will look for businesses that are margin-accretive or have a clear pathway to being there quickly.

And then finally, we will invest in businesses that we expect to produce a return in excess of our cost of capital.

So what do I owe you as a public company CFO? Well, one thing is the smooth transition to being a public company. And what we're doing is going out our organization to do that right now.

Behind that, we have a transition services agreement with our parent company that will provide support for 18 months. We fully expect these through that process within six and standalone but we have that stuff of 18 months should things split.

Corporate governance is very important and that's (inaudible) by something we call the senior management compliance committee. The members of that committee are the gentlemen that you heard from today.

In addition, we will bring in local leaders as necessary with an emphasis on creating policies that are not only reflective of good governance but then actually be implemented across the globe. So a nice book is good but if we can actually operationalize it in the businesses that really doesn't do us a lot of good, that's a key focus to us.

And finally, we know that we need to add cost, so we are committed to trying to mitigate the impact of those additional costs through integration activities.

Additionally, I owe you strong control environment. So as an emerging [drug] company, we're not required -- I need to show you that, don't I? There you go. As an emerging [drug] company, we're not required to have a 404 opinion or audit opinion in our financial statements. That's interesting.

But all those controls are already in place and we have no intention of letting them go. What we claim to do is take this opportunity to embed them more into the daily activities of our business so that controls happen as part of the normal debt activities that people perform every day, and they don't become an event-driven preparation for an external audit.

What we'll then do is utilize our internal audit partners to take a look at more of our operational processes that typically are outside the realm of a financial review but we believe will yield great value to us.

So whether it's looking at our imports and exports and customs activities or annualizing our freight cost, there are things that we can get a benefit for by redeploying those dollars of internal resources and expertise around the globe to help produce value.

And finally, the strong control environment is something that we look at as providing reliability to our financial statements and results. And that at the end of the day does create value. So what I've just described is a global leader position to succeed.

Our business has a stable foundation. You've heard that talked about all day long. We have a commitment to (inaudible) halfway towards margin expansion as our Mexican facilities continue (inaudible) speed and our acquisitions overseas continue to perform.

Our capital structure will give us the flexibility we need for operational and for strategic flexibility.

And finally, now is the time. We're ready to stand alone. So now, Mark is going to come up and wrap it altogether and tell you specifically how we plan to create value.

Mark Zeffiro - *Horizon Global - President, CEO*

Good stuff, good stuff. Thank you, Dave.

David Rice - *Horizon Global - CFO*

Good stuff.

Mark Zeffiro - *Horizon Global - President, CEO*

We're almost done. There are just a couple more pages and then we'll open up to Q&A. Most importantly, I wanted to (inaudible) questions and I've got plenty of time and I'm going to ask all the presenters to come and join me on stage.

We already have talked about plans and (inaudible) we've talked about things there in the future. There's quite of those. There's a lot of -- a lot of activity that are already complete for us to be ready and to continue to move forward.

I've highlighted a couple of areas here and specifically one is related to growth. We've invested in relevant brands. We can be better at it. We can be more focused in that respect and we will be.

We have expanded our OE capabilities. It's done. We've made investments in relevant jurisdictions to be more effective and more efficient. And we have the (inaudible) associated with being relevant in Latin America. So we're off to a race just in terms of growth. Are we done? No. But it's not step zero, it's not the first inning. We're in the game.

Margin improvement, I've talked about and my team in multiple times around margin improvement, and frankly, it's incredibly important for us. Even our co-chair of the board views margin as the one of the most important things for us to focus on.

It's our reinvestment ratio. It's the ability to reinvesting yourself. It indicates to us that you're a vital business. We've done and completed those major investments. Our shareholders have been patient long enough, patient to be able to live in the margins that you would expect as a result of those investments. It's not is the time for us to deliver those improvements.

And you've heard from Mike that we're on the path. Are we all the way home yet? No, but we have seen home in a distance. We know where we're headed and we know how we're going to get there and we have specific targeted actions that are already underway to be able to drive margin improvement.

So the present day challenges for us, so really a transition to a new public company. Now, we've got to continue to operate and do all the stuff that engages customers and sells products and makes money.

But in the meantime, I've also got this project just like the TriMas team has this project to spin this as a public company. We're close to finalizing the capital structure, close. We've launched that effort earlier this month and we're narrowing in on what that means.

It should be done here hopefully in the next couple of weeks whereby it will be part of the S-1 that comes out once we issue that second version, okay?

We're also committed to delivering results. Now, I made mention of the fact that 100 basis point improvement is the expectation I have of the organization. We've committed it publicly. So it's probably there. It's already known, it's already known and it's commitment that we're going to deliver 100 basis point improvement year on year in 2015.

And the management team is in place. You know, it's really relevant to think about this management team. It went through the global financial crisis. This is the time where this business felt like it wanted to implode, but it didn't.

It didn't because they were leaders. It didn't because they had an actionable path towards making the business better. It didn't because they were committed to their business and led through that effort.

I'm benefit -- I'm the benefactor of having that kind of experienced, committed leadership team and I'm thankful for that.

So the future really brings a couple of things to us. Again, growth, margin improvement, okay, I hope you're hearing me, growth and margin improvement. It's incredibly important to us to drive margins over time. We've got a clear commitment by Mike and the team for 2% to 3% productivity in [each and every], it's about $10 million a year.

It doesn't mean we're going to drop it all at the bottom-line per se because you've also heard me talk about some of the growth initiatives around the world that we have to support, and we're going to focus on those.

But we've also gave you the very focused areas that we're going to spend time and effort on. E-commerce, fastest-growing market space for us, the most profitable market space for us.

Latin America and China, those are long-term investments, it doesn't mean that we're going to lose money. That isn't translate to losing money in those spaces. It just translates to the ramp of that will take longer.

And then ultimately, global OE, I hoped we've answered the questions with respect to, what it means to be an OE supplier to us. What Carl didn't say in that presentation is we're very selective around what programs make sense for us to participate in.

It's hard to say no to a commercial activity but we're very disciplined around what that means. It has to have a differentiable advantage from an engineering perspective. If it doesn't, if it's a commodity, that's really hard for us to get our heads wrapped around because with global OE comes productive capacity that we'll use versus using it on e-commerce which is more profitable potentially. So we have to be very disciplined around how we think about the usage of our productive capacity.

So our value operation roadmap is this. I've already talked about 2015, and for those that have followed our earnings releases, you have saw, we may already talked that GDP+ is kind of the Americas' view and APEA will grow a rate locally but has obviously headwinds associated with the currency translation. But we're on track, we're on track in that space. And we're on track for the 100 basis point improvement for 2015.

Most importantly though, I want to talk to you about the model by which I want to create value at the enterprise and align the resources accordingly.

I'm not going to talk about adding acquisitions on top. This is organically, this is what we should do as a business. GDP+, now, the fact of the matter is over the last four years, we've done 10% growth. So GDP+ is a reasonable, rational forecast for us for a long period of time.

Earns have to grow faster than our top-line. Now, one of the things that you've heard Dave Rice say when we talked about margin and acquisition, you heard him say targeting acquisitions that are margin-rate-accretive. That's new. That's new to us, that's new in terms of our investment thesis. And specifically, when it's not out of the gate, margin-rate-accretive, it's got to have a clear path to being just that.

So we're going to target double-digit operating margins for us as a company. We've been there before. We've got some things that we have to do to get there -- get back there again, and it's largely on the back of commercially being smart, getting leverage out of some of the acquisitions that we have made and need to make yet more productive. And then lastly, the manufacturing enterprise that we have.

Now, Mike talked about Mexico, Mexico, Mexico. The reality is we did something very similar in Australia. We did something that's very similar in Chon Buri, Thailand. We need yet more leverage out of these manufacturing investments that we've made to make this enterprise much more -- much more competitive.

And, you know, it's interesting, there is a shareholder that I've had the benefit of knowing for quite some time now as a former CFO for TriMas. And one of the things that he's focused me on is cash flow and how you convert cash flow and how you deliver on value-accretive cash flow for the enterprise.

And the reality of it is we expect the cash flow to exceed net income. That means that we're going to be smart in terms of our capital deployment and then it will also translate to having debt as less than two times EBITDA.

Now, the reality is, one of the questions that invariably gets asked is, "You're cyclical?" Yes, we are. We generate more cash in down periods than we do in up periods. It's going to be okay in that respect.

But the reality of it is , I want to make sure that the leverage position is that less than two times to be able to give a strategic optionality, to take advantage of those down markets, to be able to drive growth for us as an enterprise, that's why leverage is less than two times.

So I started the enterprise conversation today with a couple of three things and I hope we've delivered on it. We are a growth enterprise. Even though we talked about a GDP+, we have demonstrated clear growth better than that.

Margin improvement, you now know where we are. You might seen us on records saying 2% to 3%, that's 10 million bucks. We're feeling it right now in terms of Q1. You can go to our Q1 earnings release. You'll see the fact that margin rates improved in the CAPEA set of businesses. The Americas business, I -- we just told you about the productivity out of our manufacturing footprint bringing off a little inventory that's higher cost right now. It's feeling right, it's moving in the right direction.

We've also taken efforts to -- if you'll optimize the -- our overall organization, taken some efforts to be able to -- if you'll and integrate related activities and John Aleva has been centric in helping me do that, and we have an experienced management team.

So with that said, I'm going to leave this up on the screen for you and then I would encourage the rest of the folks to come on up.

We're active on the Web today, horizonglobal.com. You'll see all sorts of our stuff out there, our history, the history of the brands, the history of the company, leadership team. There is -- obviously, that's where the presentation is available to folks. And it's really kind of all coming together.

It's coming together because we're on a path to spin midyear. We're on a path to be able to be individually ready and collectively ready to be a standalone company. So with that said, we'll take any questions that you may have.

At front? [Walt]?

Unidentified Audience Member

The first about the OE versus distributor versus retail, do they carry different margins? (Inaudible).

Mark Zeffiro - *Horizon Global - President, CEO*

Well, let me take the first cut at it. Yes, they do carry different margins, but they also have different -- carry different cost loads associated with that. So the question becomes, at an operating profit level, they're more similar than dissimilar.

At a gross margin level, they're more dissimilar because the cost structure that you have to put in place for aftermarket is a bit different than that of retail and it's obviously much different from an OE perspective.

How would you characterize that, Carl, from an OE perspective? And you may have to come to the microphone.

Carl Bizon - *TriMas Corporation - President - Cequent APEA*

Yes, I agree with Mark that it's absolutely true. I think, you know, your SG&A (inaudible) and I think you -- I think the -- you know, the (inaudible) kind of numbers you're expecting is not (inaudible) pretty similar.

But, you know, we're quite thoughtful about the way we do that too. I mean I think we understand our customers, we understand the behaviors, we understand the cost of doing business in the freight channels in which we operate. So I think, you know, we're pretty good in managing that mix.

Unidentified Audience Member

Will there be like a return threshold or something?

Mark Zeffiro - *Horizon Global - President, CEO*

The business -- it's a great question. For those that couldn't hear the question, is there a return threshold for the different channels of business? The answer is we don't really segregate the business in terms of separate verticals. That's something that I think is yet ahead of us in terms of how we measure and monitor.

When you think about payback associated with cash payback associated with investments, either manufacturing lot, that's obviously on a case by case basis.

Excellent. I'm sorry, [Matt], you got a question.

Unidentified Audience Member

Yes. So in terms of the move to Mexico, you know, what aspects of the move have yet to flow through to benefitting margins?

Mark Zeffiro - *Horizon Global - President, CEO*

Excellent. Mike Finos, why don't you -- why don't you cover that one off?

Mike Finos - *Horizon Global - SVP - Operations*

As I said earlier, a little bit of work yet to be done moving our supply chain closer to our plants and actually making sure that all of our productivity is where it needs to be. We've gained 12 points in productivity over the last four months. Our quality is improving.

And I would say the only part that we need a little more focus on is quality at this point in time. So quality is still now at the level that we needed to be. It's higher than it was in our Goshen, Indiana plant but not as high as I want it to be today.

Mark Zeffiro - *Horizon Global - President, CEO*

Let me add one thing in that, is also realize that you're burning up inventory to (inaudible) previous periods. So the reason why you're going not feeling it, seeing it in the P&L today is because we actually have -- for the financial folks in the room, we've got lower variances being capitalized into inventory and the inventories (inaudible) off the entire cost inventory right now.

And so we've talked about Q1 being basically 10% to 15% more productive in terms of standard earned dollars in Q1. So let me add one more thing, is traditionally, one of the things that if you thought of it, it was literally evolving through the snakes, so to speak, in terms of the project.

The first thing was obviously making good product on a consistent basis and the manufacturing activities or core manufacturing activities are much better today than they were a year ago.

We're -- I will tell you, it's yet even better than the Goshen facility but we didn't invest something just to be as productive as Goshen. We want something that gets more productive than Goshen. So we're almost there late innings, if you will.

The next piece of it is where you think about distribution -- distribution to our network, not distribution to customers in terms of getting to our distribution footprint. That was one of the biggest challenges we had in 2014 because we had a trouble getting up to speed in terms of productive levels and then on top of that then we're trying to shift product amongst the warehouses. That footprint is much better than it was yet even just six months ago.

And then we brought forward to you the challenges associated with making supply chain local. And I would tell you that we made drastic strides toward localizing supply. Mike, what's the operative number that you use in terms of thinking about how much of your supply chain is local now versus on a 100% basis?

Mike Finos - *Horizon Global - SVP - Operations*

2/3 of it.

Mark Zeffiro - *Horizon Global - President, CEO*

2/3 -- 2/3 of all activity. So I hope that adds clarity for you, Matt. Please?

Unidentified Audience Member

Yes. I just had a question on the less than two times leverage being aspirational. Could you maybe talk about the length of time it takes to get there? You know, and what -- I mean I know you probably can't disclose exactly where you'll be until you file in the next couple of weeks but, you know, where -- could you characterize where you'll -- where you're going to be out the gates and how ---

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Mark Zeffiro - *Horizon Global - President, CEO*

It's on a 10-year goal. It's on a five-year goal. It's something that I can see direct line of sight over the next two-plus years to be able to get there.

Unidentified Audience Member

Okay, great. And then in terms of the available capital to reinvest in the business, I think you had a slide saying $40 million and characterized about half of that being available to reinvest in the business. Is all of that allocated towards the existing businesses or are you talking about using some of that towards acquisitions, just talk about the strategy there?

Mark Zeffiro - *Horizon Global - President, CEO*

If you notice, the math on the page was related to CapEx -- CapEx as a percent of sales, let's call it circa 2%. And obviously, we didn't have debt service on there because we didn't have that service yet.

So the reality is the maintenance-related portions of the capital are already being contemplated in that. So literally, it's best and highest use of capital at that point. So it could be, you know, supporting a Chinese manufacturing footprint for -- largely for an OE focus, it could be yet a further investment in terms of e-commerce, it could be the pay down of debt. So literally, that's the decisions that we're going to have ahead of us. Thank you.

Up here. Thank you, [Sherry].

Unidentified Audience Member

I just had a question on the margin improvement and the pursuit of higher margins that you, guys, talked about. A couple areas that Cequent has talked about that have underperformed partially to Europe then leading into Germany, Brazil have been [prong], (inaudible) has been prong.

Can you talk about each one of those areas? Are you committed to each one of those areas? What do you standalone in terms of profitability at each one of those areas, and where can you get to in a reasonable period of time?

Mark Zeffiro - *Horizon Global - President, CEO*

Well, again, let's talk through the total goal which is double digits on a consistent basis. So that's the goal in total.

Now, let's go in a level deeper in terms of what are the implications on a localized basis. Finland, Carl had already made the choice to basically shutter the Finnish manufacturing operations, that's done. It was something we didn't see a strategic path towards getting to an operative term that got us to double digits. So that's done. It's behind us.

Brazil was struggling in 2014 in the context of being able to get to profitability levels and stability of volume levels because, you know, the economy was a little turbulent. I'll leave it at that.

We've now structured the operations whereby we're making money and we're making money out on a monthly basis. So now, the question becomes, let's add additional products, let's build on that. So the reality there is I expect that to be return on capital accretive in that respect.

South Africa where they doubled their business, it's profitable. Germany, with all the structural activities that Carl has already put in place, it's profitable. So we're --

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Unidentified Audience Member

That's a long way from getting margin to acceptable levels.

Mark Zeffiro - *Horizon Global - President, CEO*

Yes, that's fair. But at the end of the day, you're going to see 100 basis point improvement this year. We've committed to growing earnings faster than top-line growth and on a professional basis. Now, let's hope we can achieve that.

The reality is we're headed to double digits and that's going to be part of the leverage that we get. It's the improvement of those organizations. [It's not going to be easy] targets by each individual location. I'm going to tell you that, we're going to be smart in terms of assessing what it is and what it means to us.

The implications obviously, U.K. is already there in terms of profitability level. South Africa will be there when it doubles the size of the profit, it should be in the top-line. Brazil is honestly there. And I would tell you that Germany is the one that for me has a question because it's really about the commercial activity and our ability to get enough volume out of that enterprise.

Unidentified Audience Member

You know, on the -- along those lines, you know, the margin improvement, it sounds like for this year, most of it should come from Mexico and just the things you've already done, right, 2 million of freight, you know, million more maybe of like some of the, you know, integration or whatever efficiencies. I mean, you know, shouldn't the margin improvement be better in 2015 than 100 basis points?

Mark Zeffiro - *Horizon Global - President, CEO*

A great question. So the question -- making sure everybody heard it, is Mark, are you being too conservative with only a 100 basis point improvement in margins in 2015? The reality is each year for the past couple of years, the team has committed margin rate improvements.

We have delivered on it. So at this point in time, if you think about 100 basis point improvement, you're talking about $6 million worth of profitability improvement.

You should -- you should be able to point our Mexico and say, we'll get it there. You should be able to point it to the other operations and we'll get it there. The reality is we're not going to hold back so 100 basis point is a commitment as it stands right now. We're working to make sure that's better than that.

Unidentified Audience Member

You know, another thought, do you have any idea what the corporate expense, what that corporate lines could look like on an annual basis?

Mark Zeffiro - *Horizon Global - President, CEO*

In the S-1, you can see how we did the carve-out financials. I would tell you that those carve-out financials really put just a simple allocation of the relative corporate expense. We've been -- we're working to ensure that we're at or below that -- those expense levels. So the S-1 is a good reference document for us in that respect. Dave, do you want to add anything?

David Rice - *Horizon Global - CFO*

Yes, and I would just -- I would highlight over that that we are -- as I talked about working to mitigate the impact of both costs in our financials. So we're pursuing savings beyond that. And one of the things that we've talked about is the integration with the Americas as part of that process.

Mark Zeffiro - *Horizon Global - President, CEO*

To put a fine point on it, is I might not be able to squeeze costs out of that natural [equal] structural addition in terms of costs but I'll squeeze other places to help offset those increases. Okay. She's coming.

Unidentified Audience Member

Mark, when you talked about margins like that, how much is needed in terms of volume, how much to get to 10%? It's going to come from volume and like that as opposed to just more kind of the infrastructure we have today.

Mark Zeffiro - *Horizon Global - President, CEO*

You know, there -- I think it's both. Incremental margins for us are about 10% better than the margins otherwise consumed in terms of the overhead. So that tells you a little bit about the leverage we expect our volumes.

But most importantly, I guess I would point out that the productivity efforts are centric to the expansion of margins. So whether it's freight, whether it's equal purchasing activities, whether it's overhead consolidation like we did in the case of Finland, other opportunities in that respect, that's going to help us. You know, I don't want to plan for volume leverage. I want volume leverage. I prefer volume leverage to be icing on the cake.

Maria Duey - *Masco Corp - VP - IR & Communications*

Anymore questions?

Mark Zeffiro - *Horizon Global - President, CEO*

Okay, one more question and then we'll wrap up.

Unidentified Audience Member

So one more here on the e-commerce slides that you, guys, had. I was just curious. I mean to what extent is e-commerce cannibalizing the existing channels that you're selling through, if you could touch on that.

And then also, I mean there's obviously gross margin benefit to selling through that channel but also to what extent the additional market expense offsetting that on the operating margin line. If you could just speak to that.

Mark Zeffiro - *Horizon Global - President, CEO*

Certainly, there is some cannibalization but as I mentioned there's also an expansion of the product being sold or the amount of product being sold is we're selling higher margin better, stronger products through that channel.

As far as the cost today to do the e-commerce, it's not much different than any of the other channels. So it's that extra margin, it's basically falling through to the bottom-line.

What else I think is kind of interesting there, to add onto your question a little bit is we learn as a result of our customer set being shipping once versus shipping out. We learn how to actually do better business in the space.

So this is actually an evolution for us from a customer satisfaction perspective as well. So not only is it fastest growing best margins but it also improves our shipping efficiency and capabilities. So it's clearly something that adds value to us.

Unidentified Audience Member

And the third -- one third item I would add is when we set up a product, we create a product to sell it. We create it, take the pictures, create the marketing copy, we do everything so it supports not only the [shell] but all the channels. It's all done simultaneously at the same time, that's why there is no difference in the total cost to go through the channel. It's the same.

Mark Zeffiro - *Horizon Global - President, CEO*

Yes. Excellent, excellent. So we're going to wrap it. Obviously, we'll be around and be able to take additional questions. So I sincerely appreciate everybody's attention and participation.

I hope that you're as excited as we are as a leadership team towards launching Horizon Global as a public company. We're excited about what it means to us just not as a leadership team but also what it means to our businesses. So with that, thank you.
