

Harman International Group Overview



BECKER



DigiTech

harman/kardon

Infinity

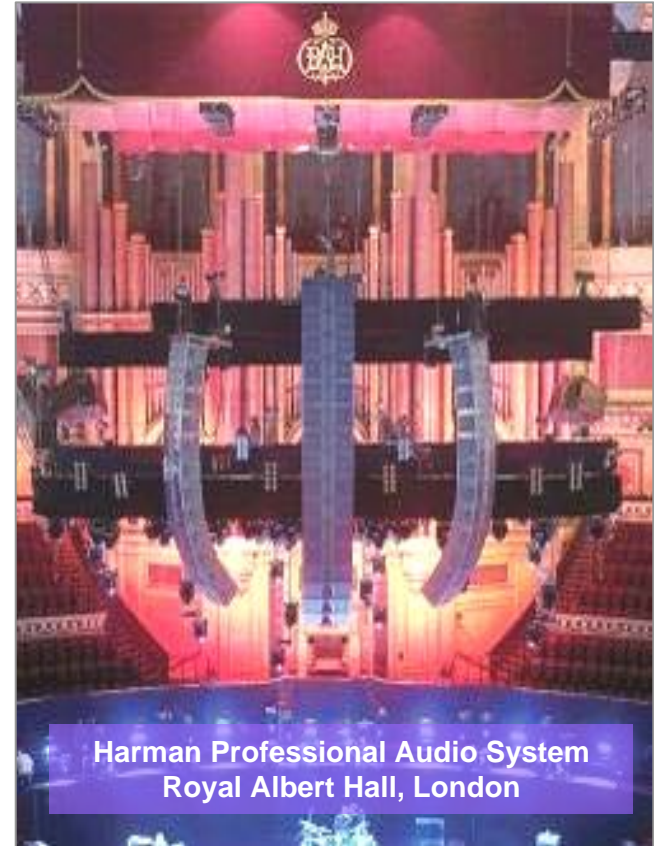


lexicon

mark Levinson



Soundcraft
STUDER



**Baird Conference
November 12, 2008**

Forward-Looking Information

Except for historical information contained herein, the matters discussed are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act. One should not place undue reliance on these statements. We base these statements on particular assumptions that we have made in light of our industry experience, as well as our perception of historical trends, current market conditions, current economic data, expected future developments and other factors that we believe are appropriate under the circumstances. These statements involve risks and uncertainties that could cause actual results to differ materially from those suggested in the forward-looking statements, including but not limited to (1) our ability to successfully implement our strategic initiatives and to achieve the intended benefits of those initiatives; (2) changes in consumer confidence and general economic conditions in the U.S. and Europe; (3) the effect of changes in consumer confidence; (4) a change in interest rates and availability of financing affecting consumer spending; (5) automobile industry sales and production rates; (6) our ability to effectively implement our restructuring programs and to realize the intended benefits of these programs; (7) fluctuations in currency exchange rates; (8) the loss of one or more significant customers, including our automotive customers; (9) model-year changeovers and customer acceptance in the automotive industry; (10) our ability to satisfy contract performance criteria at expected profit margins; (11) availability of key components for the products we manufacture; (12) customer acceptance of our consumer and professional products; (13) competition in the automotive, consumer or professional markets in which the Company operates, including pricing pressures for our products; (14) the outcome of pending or future litigation and other claims, including, but not limited to the current stockholder and ERISA lawsuits or any claims or litigation arising out of our business, labor disputes at our facilities and those of our customers or common carriers; and (15) other risks detailed in Harman International's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 and other filings made by Harman International with the Securities and Exchange Commission.

Attendees

Harman International

Dinesh C. Paliwal

Chairman & Chief Executive Officer

Herbert K. Parker

Executive Vice President & CFO

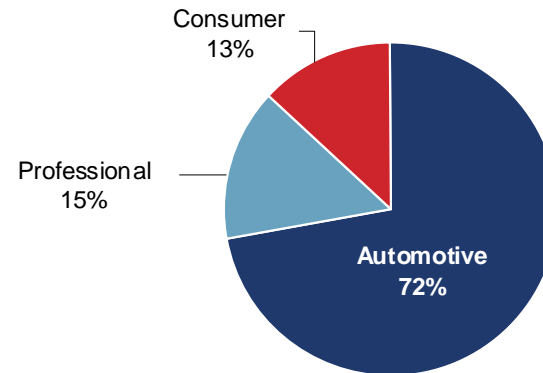
Robert V. Lardon

Vice President, Strategy & Investor Relations

Summary Business Overview

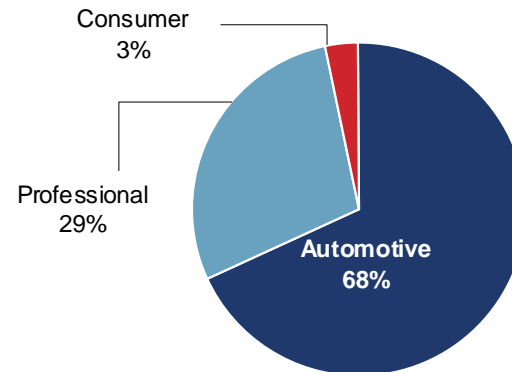
- Leader in high-quality, high-fidelity audio products and electronic systems
- 11,000+ employees
- Worldwide Operations in North America, Europe, and Asia
- Strong global brands
- Three business segments
 - Automotive
 - Consumer
 - Professional

FY 2008 REVENUE BY DIVISION



Total = \$4,112 million

FY 2008 Adj. EBITDA BY DIVISION (a) (b)



Total = \$374 million

(a) Percentages represent EBITDA excluding Corporate Overhead
(b) GAAP EBITDA has been adjusted for restructuring costs and stock option expenses

Harman has three Core Businesses



Automotive

Navigation, audio, multimedia, and communications for a superior driving experience



Consumer Audio

Discriminating audio, video, storage and multimedia products for around the home and on the go



Professional Audio

Comprehensive audio and networking solutions for recording and broadcast, sports and entertainment

Industry's most complete audio and infotainment experience, from capturing words and music at the source to the best in high-fidelity enjoyment



Harman



Consumer Audio



Automotive



Professional Audio

Q1 2008 to Q1 2009

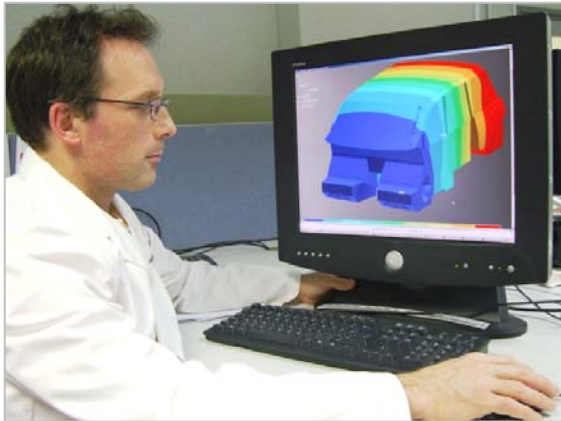
	1Q08	1Q09	1Q08	1Q09	1Q08	1Q09	1Q08	1Q09
Sales	947	869	119	106	673	617	145	137
% EBIT	4.9%	4.9%	(2.6%)	(0.6%) ↑	6.6%	4.8% ↓	14.0%	15.3% ↑

(Non-GAAP)

Q1 2009 shows our ability to execute

- Positive cash from operations; Balance sheet remains strong
- Operating profit flat, despite turbulent global market environment.
- Successful launch of four automotive model platforms
- Awarded five new automotive audio projects
- Completed definition phase of \$400 million STEP Change program
- Announced closure of 2 sites in Germany and 1 in the US (October 08)
- Opened new India engineering and R&D center
- Opened new China automotive manufacturing center
- Launched global brand advertising program
- Completed consolidation of corporate headquarters

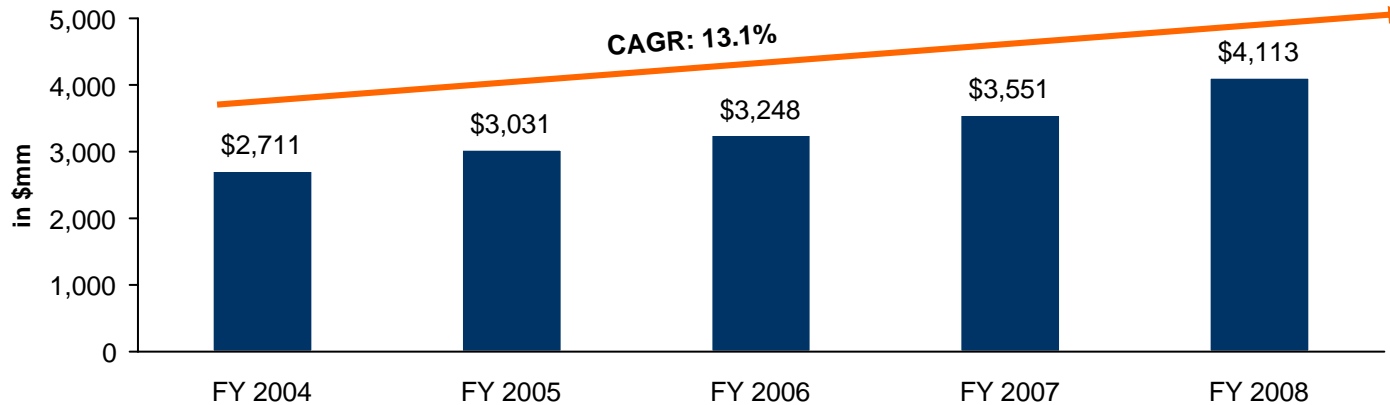
Unique cross-leveraging of technologies and brands



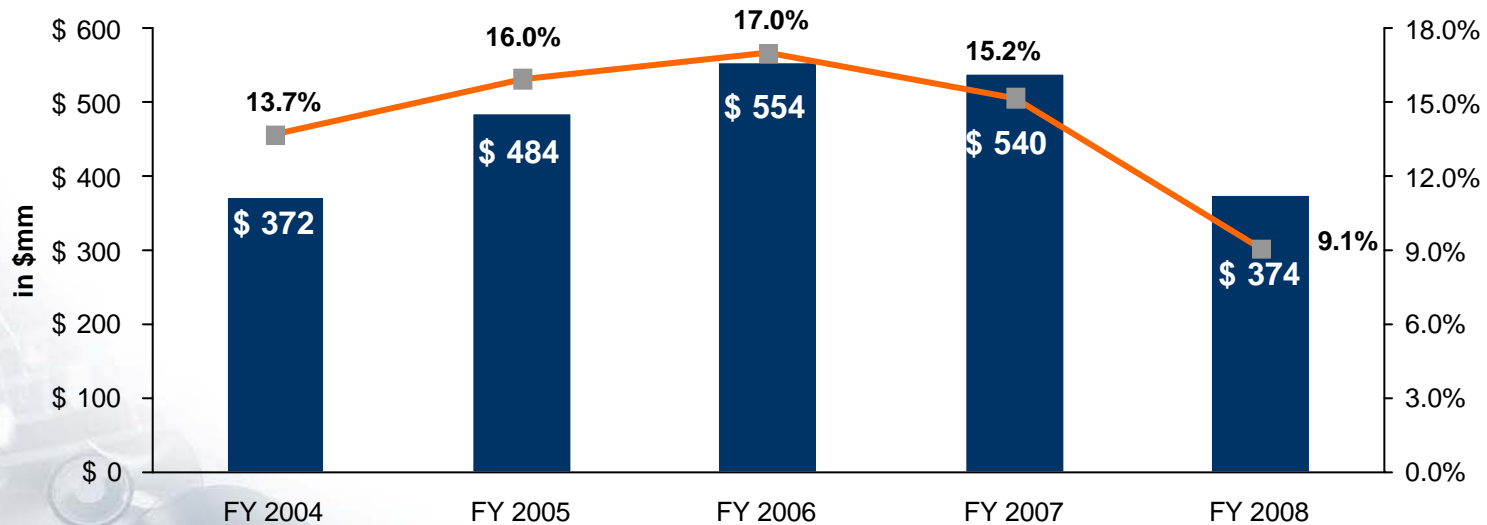
- 50+ year track record for innovation, backed by deep expertise in areas such as acoustics, signal processing, networking and software
- Portfolio of 15+ market-leading brands
- Diverse audio and infotainment technology portfolio and proven systems integration expertise
- High-profile customer base, including long-term relationships with luxury OEM auto makers and leading names in the performing arts
- Strong market presence in the Americas and Europe, with growing resource footprint in the emerging markets
- Robust channel partner network of distributors, wholesalers, installers and retail partners

Strong track record of revenue and EBITDA growth

Historical Revenue



Historical Adj. EBITDA and Margin (a)



(a) GAAP EBITDA has been adjusted for restructuring costs and stock option expenses

Record number of new infotainment awards

- 13 platform launches FY08 and FY09 (vs. 2 in FY07 and 0 in FY06)
- Unprecedented engineering burden = significantly higher R&D and other costs than in prior years

Margin pressures compounded by product mix shift

- Older platforms (highly profitable after years of productivity gains) rolling off and replaced by newer platforms (initially less profitable as production ramps up)
- More mid-segment exposure

Rapid and unexpected shifts in PND mass market = sharp losses

Following a period of rapid growth, Harman began to encounter operational challenges

Recent Progress and Priorities

Leadership

- 6 of the 9 top executives were hired from outside to strengthen and complement the existing team with execution and turnaround experience

New Automotive Platform launches / New Products

- 7 of 13 infotainment platforms launched in FY08; 1 in Q1 09 (new BMW flagship 7-Series); remaining 5 SOPs on track
- Launched ~50 New Products in Professional Audio and Consumer Audio

Global Footprint Optimization

- Closed 3 plants in the US. Announced closure of two sites in Germany
- Added Production / Engineering in Mexico, Hungary, China & India
- Outsourced IT services to Wipro and Warehousing/Distribution to Ryder

PNDs refocused on premium automotive aftermarket

Stabilizing the business and building a strong foundation for long term success

Automotive Q1: Execution Earns Customer Confidence



- Awarded A/B-Class, SL-Class and SLK-Class Branded Audio Systems



- Completed infotainment launch for new flagship BMW 7-Series



- Completed infotainment launch for Audi A6 Series



- Launched infotainment unit for Ferrari California Model
- Selected as strategic supplier for infotainment systems



- Production ramp-up for Porsche Carrera and Cayenne models



- Awarded branded audio system for Ssangyong Y300 Platform



- Launched branded audio system for GM Europe Insignia Platform

Consumer Audio Q1: Strong Brands Drive Loyalty



- Hosted more than 220,000 visitors at the IFA Consumer Electronics Show in Berlin, Germany



- Harman Consumer launched 36 new products during Q1 2009
- The division shipped more than 70,000 car aftermarket products to India alone, to help satisfy the demand from enthusiasts



- JBL Synthesis One Home Theater System inducted into Custom Design and Installers Assn. Hall of Fame (CEDIA)



- Harman Kardon AVR 3550HD 7.1 Channel Receiver earns *Custom Retailer* Magazine Excite Award



- European Imaging & Sound Association selects our JBL LS80 as Loudspeaker of the Year



- Infinity Classic Series Speakers earn Certified & Recommended Product designation from *Sound & Vision* Magazine

Professional Audio Q1: 'Star Power' Drives Profitable Growth



- China Olympic venues including opening and closing ceremonies from 'Birds Nest' stadium were equipped by Harman



- Completed shipments for new NY Yankees and NY Mets Stadiums; Awarded new University of Minnesota Stadium audio systems



- The new Indianapolis Colts stadium has been fully equipped by Harman, including more than 350 amplifiers and 4,000 speakers



- We toured with Billy Joel, Bruce Springsteen, Melissa Etheridge, Kanye West, Jay Z, Joe Cocker, Keith Urban, and more...



- Miss Universe Pageant in Vietnam and India's largest political event with more than 1 million people were equipped by Harman



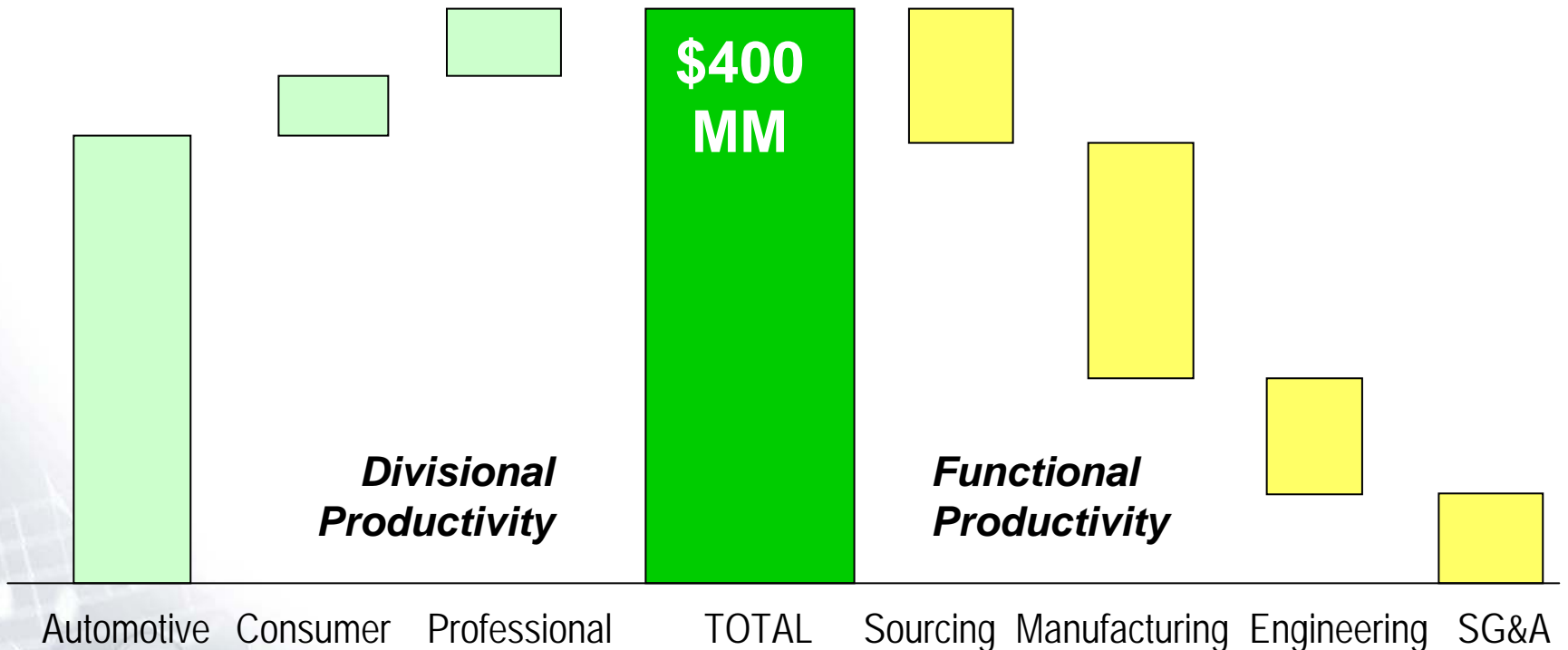
- Launched more than a dozen new products for integration with our industry leading HiQ-Net integration software architecture

- Designed to accelerate the implementation of structural and operational initiatives by involving hundreds of employees from every functional area
- Dramatic simplification and optimization of global footprint and right-sizing workforce in mature markets
- Identified 240 cost improvement initiatives covering 4 major cost categories
 - Sourcing
 - Manufacturing
 - Engineering
 - Sales, General & Administrative

Well ahead of the current financial crisis, Harman announced *STEP Change* – a 24-month cost savings & productivity program

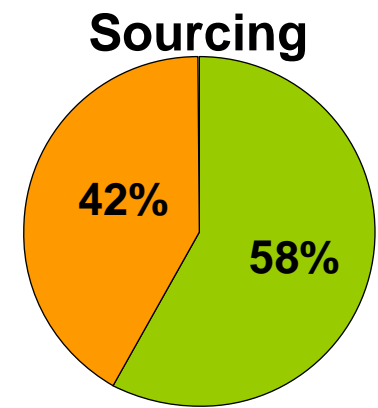
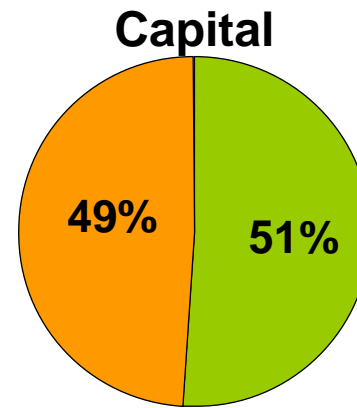
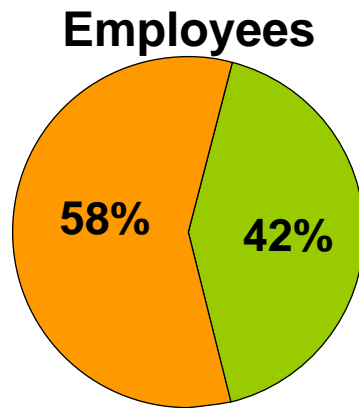
Designed to yield \$400 million in sustainable savings in 2011

- 1500 job reductions in high-cost countries
- 40% improvement in capital expenditure efficiency
- \$55 million pre-tax savings in 2009
- \$265 million pre-tax savings in 2010

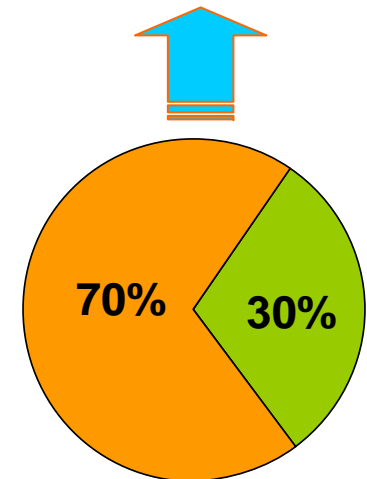
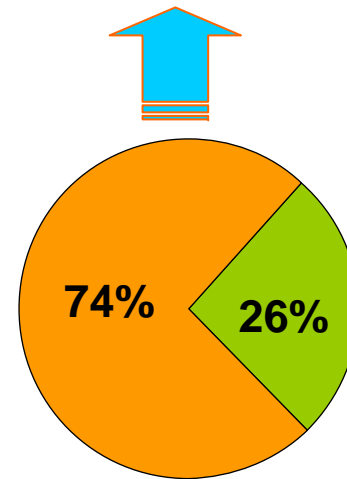
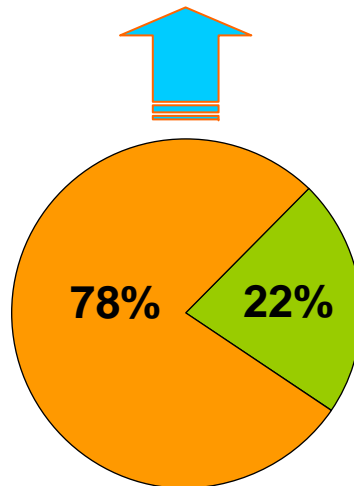


Optimized Global Footprint
= Greater Productivity

Target 2011
GFI = 151%



Baseline 2008
GFI = 78%



High Cost Countries Low Cost Countries

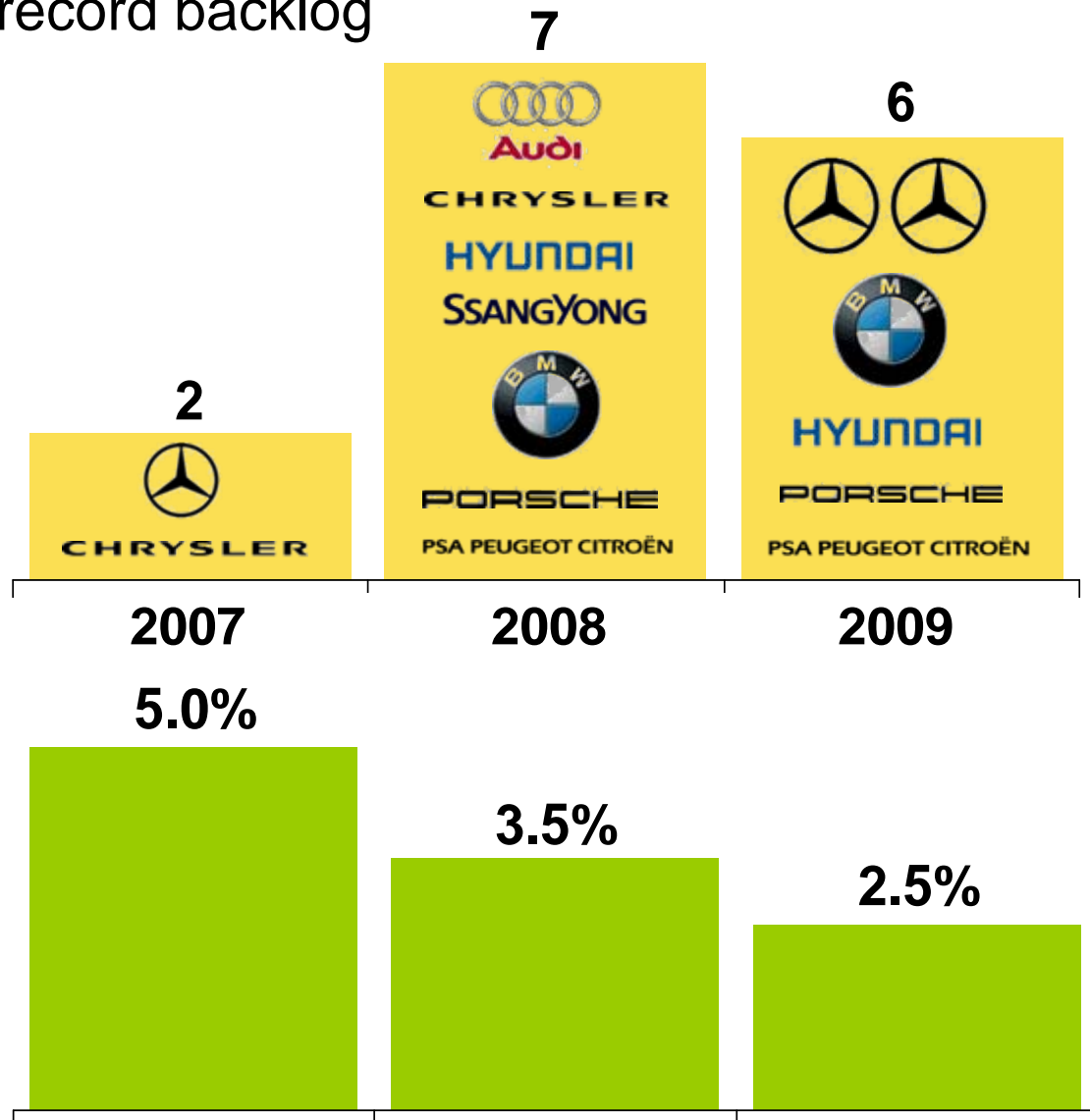
Key milestones for every initiative are monitored thru an on-line financial tracking system and savings reported as they take effect

Capital Efficiency

We continue to dramatically improve our capital efficiency even while delivering on a record backlog

Number of Infotainment Platform Launches

CAPEX as Percent of Sales

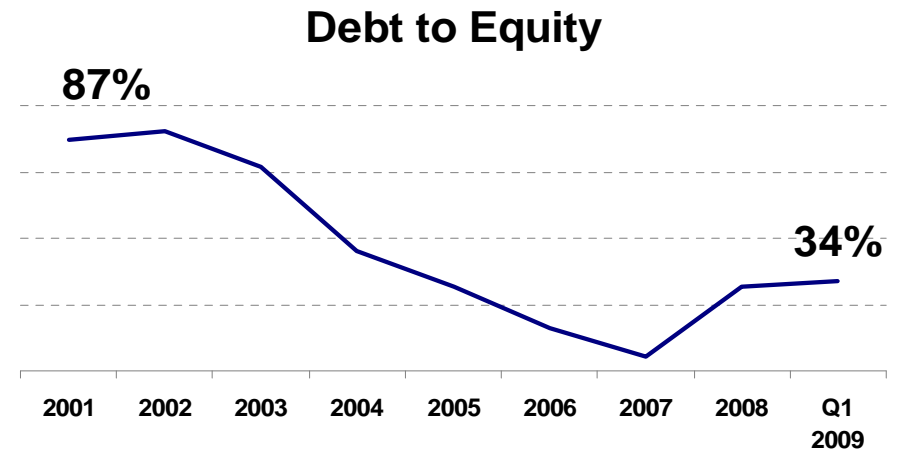
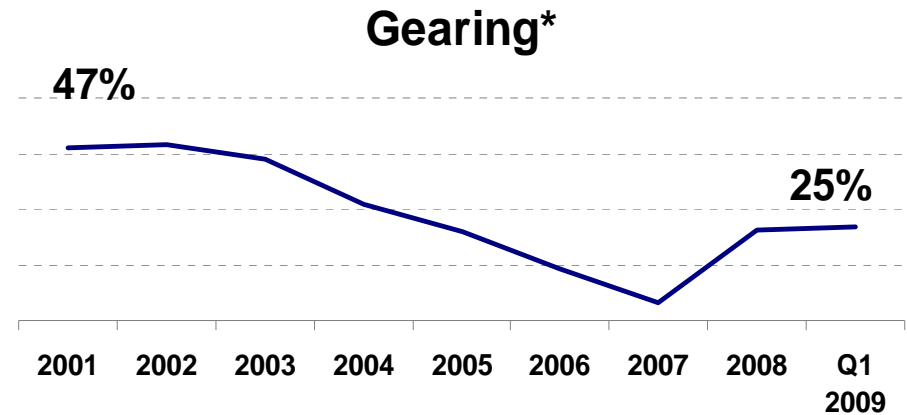


We have a solid balance sheet to weather these tough market conditions...

Strong Balance Sheet with low leverage

- Gearing ratio 25%
- Debt to Equity ratio 34%

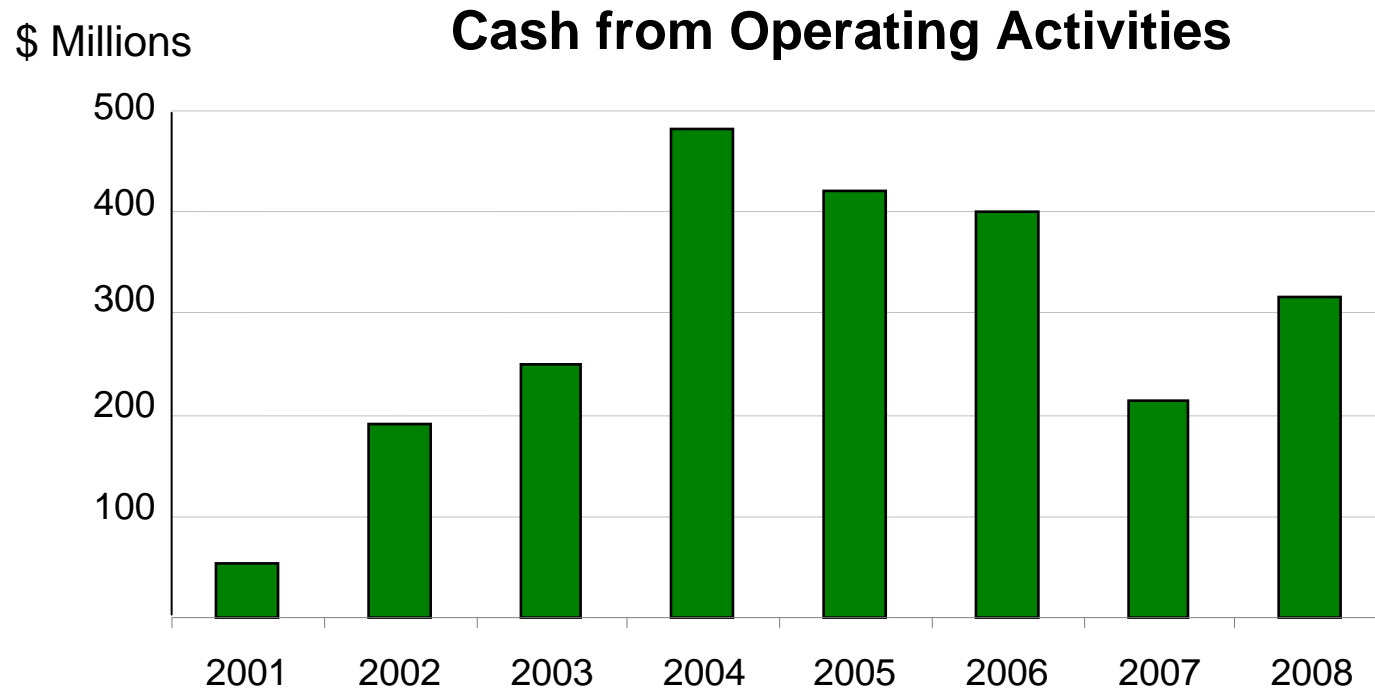
* total debt divided by the sum of total debt plus equity, incl. minority interest



...supported by a conservative cash management policy

- Cash and Short-term Investments
 - Invested with commercial banks for low exposure to sub-prime
- Short-term maturities
 - Less than 30 days
- Revolving Credit Facility
 - \$300 million committed
 - \$25 million drawn as of September 30, 2008
 - Available until June 2010
- \$400 million convertible notes
 - 1.25% coupon rate, Maturity October 2012

And have been able to generate strong operating cash even while margins have been challenged



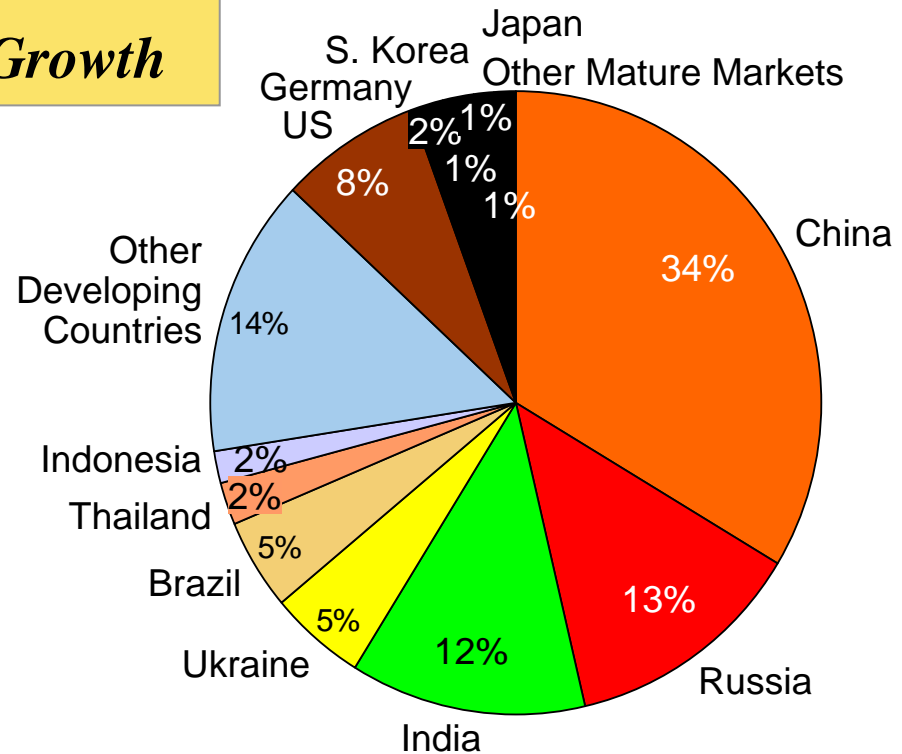
Cash generation will further accelerate once STEP Change cost savings goals are achieved

Our Focus on Growth

We will continue to invest to maintain our technological leadership, coupled with aggressive expansion into the emerging markets

***China, India, Russia
= 59% of Total Automotive Growth***

**Global Vehicle Sales
Volume Change
(2007-2012)**



... And Harman has barely scratched the surface in this more than \$10 Billion market!



Dinesh Paliwal
Chairman & CEO

Board of Director Embarq
Former President ABB Ltd.
CEO ABB North America



David Karch
Operational Excellence

Formerly SVP Harman Automotive
Sunbeam Oster Corporation
Packard Electric



Klaus Blickle
Automotive Division

Formerly CEO, EDAG Group Germany
Managing Director Audi/Volkswagen, China



Richard Sorota
Consumer Division

Formerly GM Philips Electronics, Procter & Gamble, GE Scotts Miracle Gro Company



Blake Augsburg
Professional Division

Formerly VP Hubbell Inc.
GM Maxwell Technologies



Herbert Parker
CFO

Formerly CFO: ABB North America,
ABB Automation Technologies



John Stacey
Human Resources

Formerly VP-HR InBev
North America and Europe



Todd Suko
General Counsel

Formerly General Counsel: UAP
Holding Corporation, and
United Agri Products, Inc.



Helmut Schinagel
CTO

Formerly CEO Harman Automotive
Former SVP, BMW Electronics

Battle tested and globally experienced executive team

- STEP Change productivity program is on track
 - Program management and metrics established since Q4 2008
 - Expect \$55 million in pre-tax savings in 2009
 - Expect \$265 million in pre-tax savings in 2010
 - \$400 million sustainable savings by 2011
- Strong brand recognition drives consumer loyalty in times of crisis
- Large untapped opportunities for growing emerging market footprint
- Strong SG&A and cash management initiatives in place
- Healthy balance sheet and conservative investment profile

Harman is positioned to weather the global financial crisis and capitalize on the pent-up demand when global markets re-emerge

Questions and Answers



BECKER



CROWN

DigiTech

harman/kardon

Infinity

JBL

lexicon

mark
levinson

QNX
QNX SOFTWARE SYSTEMS

Soundcraft
STUDER

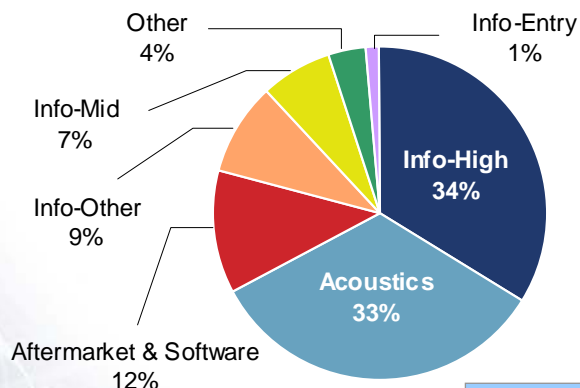
Harman International

Premium Solutions for Audio and Infotainment

OVERVIEW

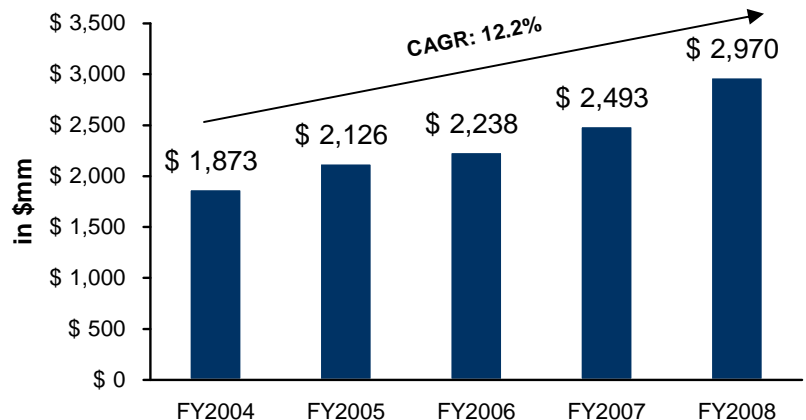
- Headquartered in Karlsbad (Germany)
- ~8,000 employees worldwide
- Revenue FY 2008 \$2,970 million
- World leader in high-end Infotainment Systems enabled by innovative technological advancements
- World leader in Branded Automotive Audio Systems combining World-Class acoustic know-how with high-value brand names

FY 2008 REVENUE BY PRODUCT LINE

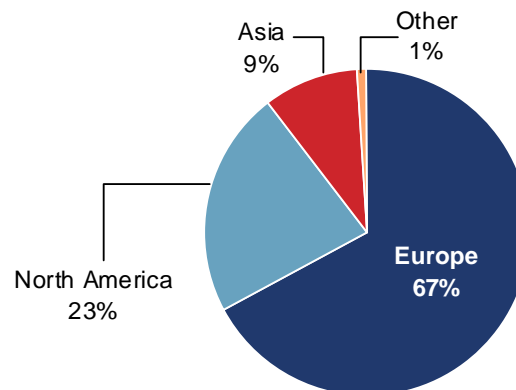


Total FY 2008 Automotive Revenue \$ 2,970 million

HISTORICAL REVENUE



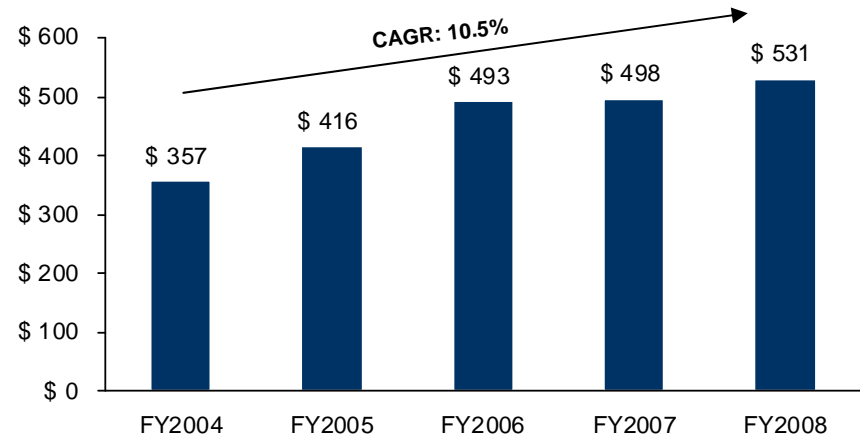
FY 2008 REVENUE BY REGION



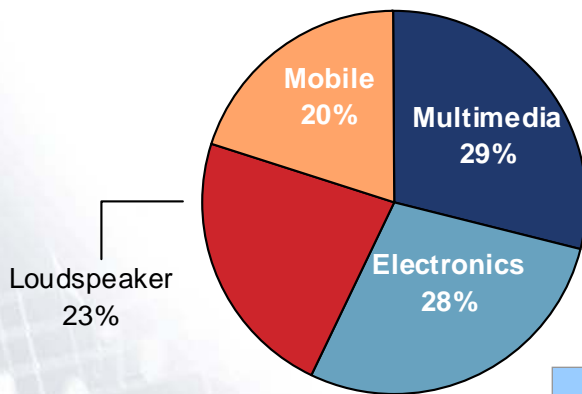
OVERVIEW

- Headquartered in Stamford, CT
- ~1,400 employees worldwide in 15 locations
- Revenue FY 2008 \$531 million
- Leading designer and producer of audio, video and electronic systems for home, mobile and multimedia applications

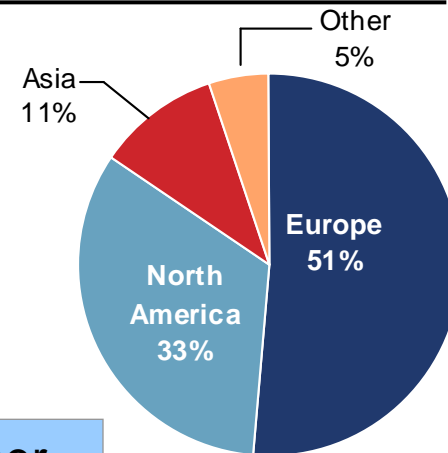
HISTORICAL REVENUE



FY 2008 SALES BY SEGMENT



FY 2008 SALES BY REGION

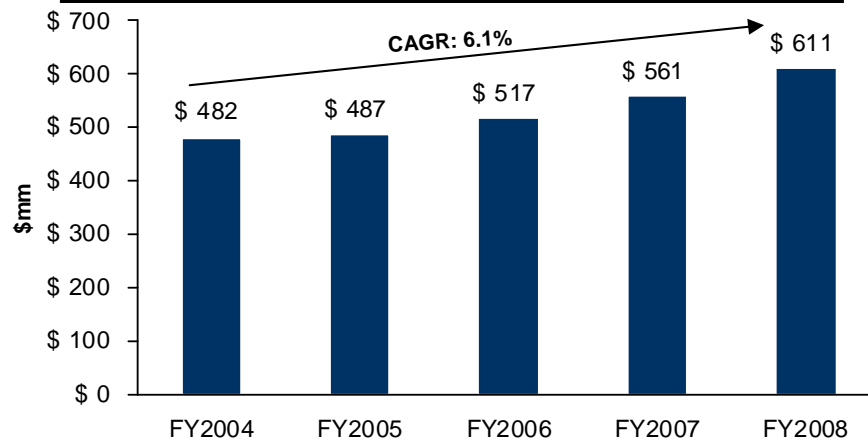


Total FY 2008 Consumer Revenue \$531 million

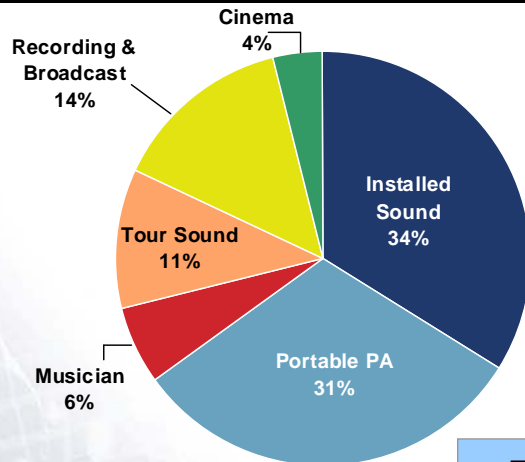
OVERVIEW

- Headquartered in Northridge, CA
- ~2,000 employees worldwide in 7 locations
- Revenue FY 2008 \$611 million
- Designs, manufactures and markets loudspeakers and electronic systems used by audio professionals in concert halls, stadiums, airports, houses of worship and theme attractions

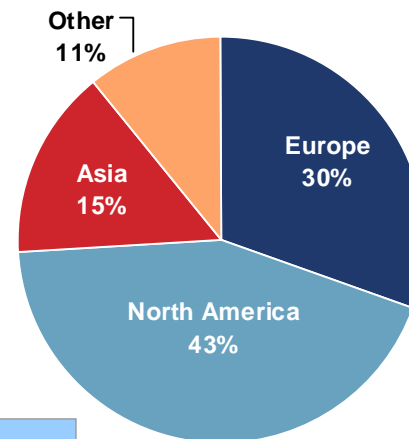
HISTORICAL REVENUE



FY 2008 REVENUE BY VERTICAL MARKET



FY 2008 REVENUE BY REGION



Total FY 2008 Professional Revenue \$611 million