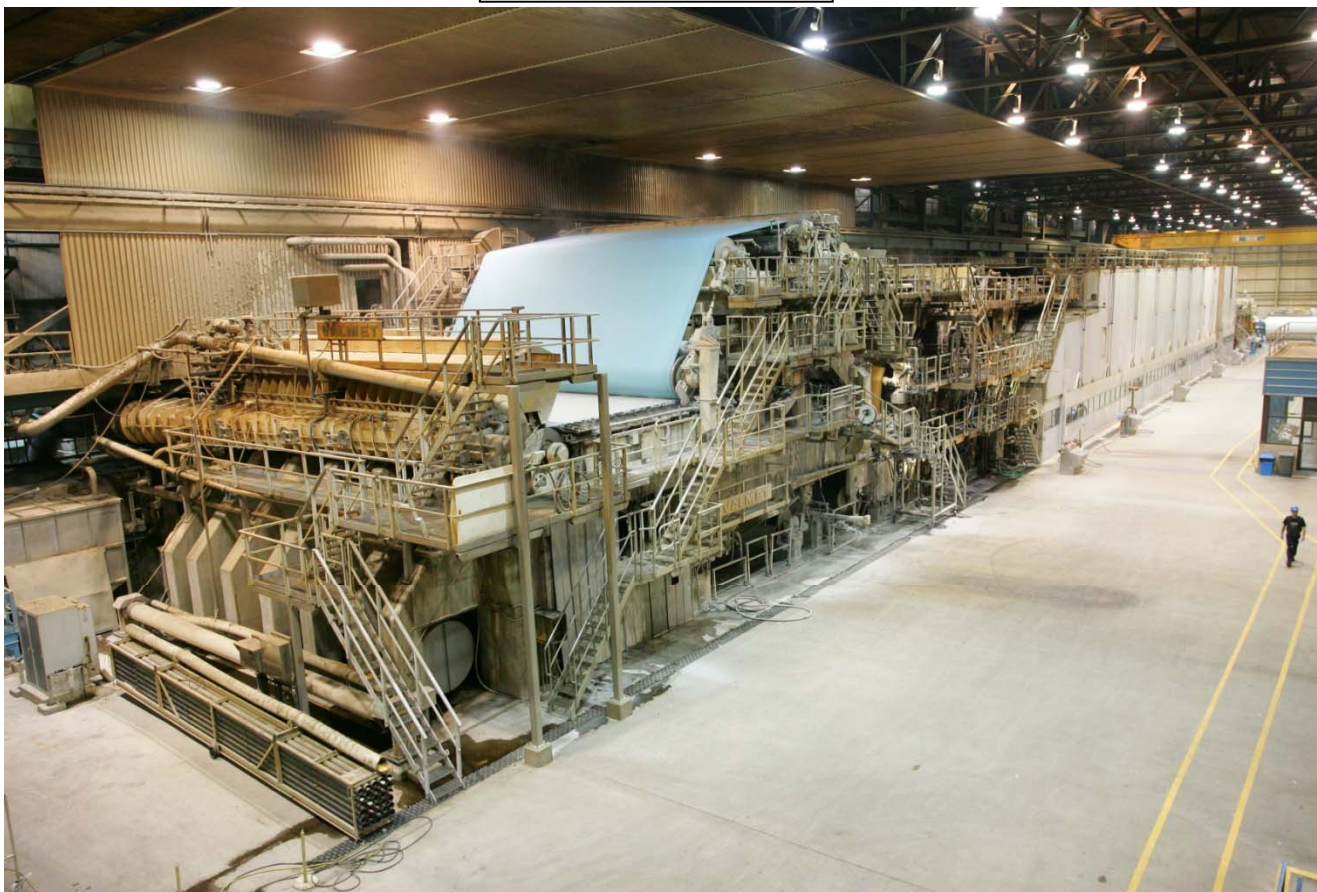


Xerium Technologies, Inc.

NYSE: XRM



Forward looking statements, estimates and Disclosure Statement

Various statements herein and remarks that we may make today about Xerium's future expectations, plans and prospects are forward-looking statements which reflect our current views with respect to future events and financial performance. Statements which include the words "expect," "intend," "plan," "believe," "project," "anticipate", and similar statements of a future or forward-looking nature identify forward-looking statements for the purposes of the federal securities laws or otherwise. Any forward-looking statements herein and remarks that we may make today are estimates, are subject to change, and involve known and unknown risks and uncertainties. Our actual results may differ materially from these forward-looking statements and estimates as a result of various important factors, including those discussed in our annual report on Form 10-K for the fiscal year ended December 31, 2011 and subsequent filings, all of which are on file with the SEC and are also available in the investor relations section of our website at www.xerium.com under the heading "SEC Filings." In addition, any forward-looking statements which we make in this presentation or in remarks today represent our views only as of today. We disclaim any duty to update any such forward looking statements.

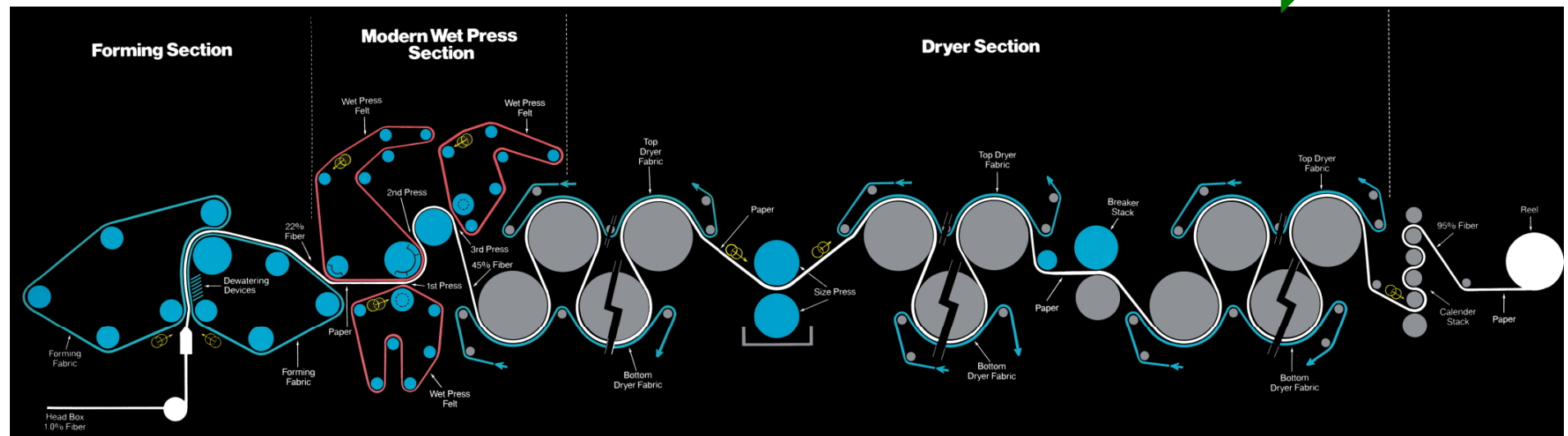
Xerium Technologies is one of the world's leading suppliers of industrial textiles and roll covers primarily focused on the global paper industry.

- **Business Model:** High margin, recurring revenue, manufacturing
- **Addressable market:** \$3.1 Billion global, GDP growth rate
- **Market Position:** #1 or #2 in most served markets
- **Developing Markets:** 23% of revenue, increasing
- **Branding:** Technology leader
- **Go to market process:** Primarily direct global sales and service

XRM is a global manufacturer of two primary paper making consumables, 'clothing' and 'rolls'

A typical paper machine has three sections. “Forming” controls the layering of the paper fibers. The “Press” section removes moisture mechanically. The “Drying” section uses thermal energy to evaporate water and typically constrains machine speed.

Paper flow direction



Forming Section
Water content
99% - 78%

Press Section
Water content
78% - 45%

Drying Section
Water content
45% - 2%

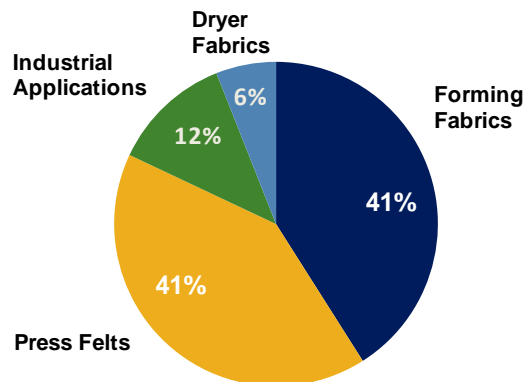
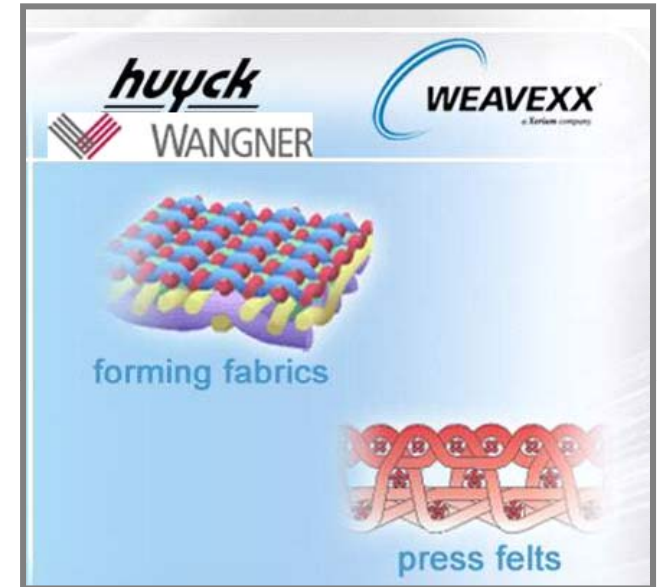
...but some are a little more basic.....

... so not all of paper machines are targets for our technology

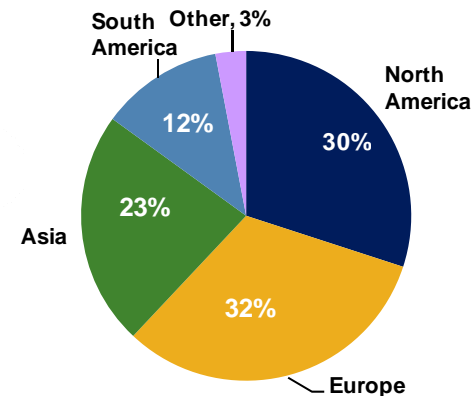


Xerium's "Paper Machine Clothing" contributes to paper quality, fiber and chemical conversion efficiency, and production speed. Xerium is the acknowledged technology innovator across many paper grades.

- Woven textile belts drain processing water and transport paper through the paper machine
- 3 unique clothing "types" (forming, pressing, drying) contribute 88% of clothing segment revenue
- Our products produce all five grades of paper
- Average replacement frequency 12 weeks
- Sales price range: \$13,000 - \$200,000
- Estimated global market share: ~14% (#2)
- 12% of revenue from non-paper industrial applications



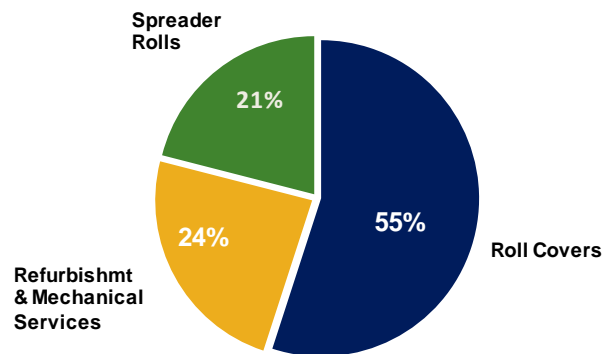
Clothing Segment Revenue By Source



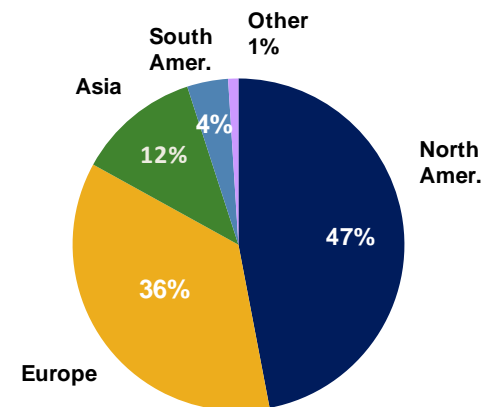
66% of FY 2011 XRM Sales

“Roll Covers” support and transport the ‘clothing’ through the paper machine, and facilitate water removal, significantly effecting paper quality and production costs. Xerium is the paper industry’s largest independent roll cover manufacturer.

- Rubber and synthetic coatings on customer owned rolls
- Recovering and service frequency: 1 to 2 years
- Sales price range: \$1,000 to \$300,000
- **#2 global market share** @ approx. 25%
- 14% of revenue from sales in non-paper industries
- Significant capital and technology barriers to entry

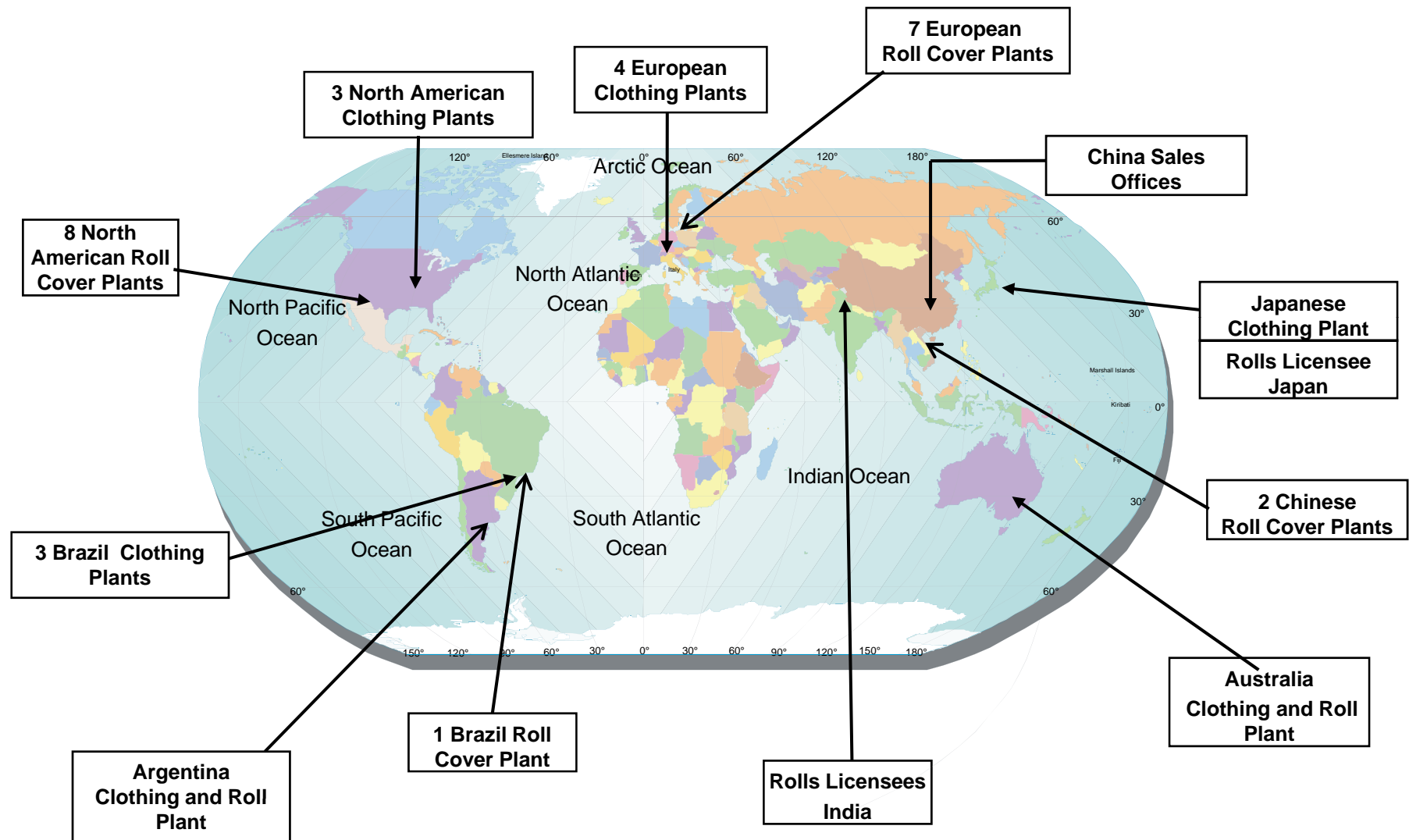


**Roll Segment
Revenue
By Source**



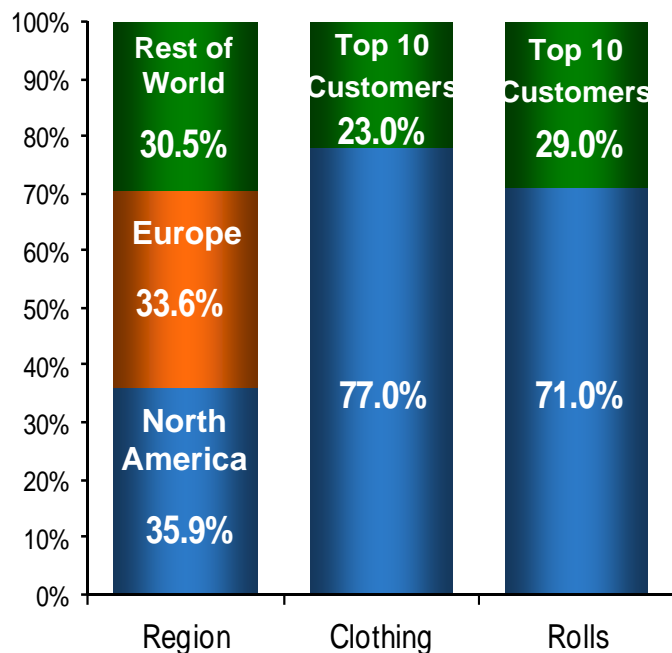
34% of FY 2011 XRM sales

Xerium's operations are well positioned geographically to support its evolving global customers with well run, low cost, high technology facilities.



Xerium's highly loyal customer base is the "Who's Who" of the paper industry. Our customers are both paper grade, and geographically diverse.

Xerium's 2011 Customers



Xerium is a leading supplier to the major global pulp and paper manufacturers

North America

Kimberly-Clark Corporation

VERSO

GP Georgia-Pacific

INTERNATIONAL **PAPER**

RockTenn

Latin America

Klabin

ARACRUZ

SUZANO
PAPEL E CELULOSE

Europe

Norske Skog

UPM

SCA

STORAENSO

Smurfit Kappa Group

Asia

APP

OJI PAPER

玖龍紙業(控股)有限公司
NINE DRAGONS PAPER (HOLDINGS) LIMITED

Our long term customer supply relationships provide consistent year over year demand..... Xerium seldom loses a customer.

The paper industry recovered from the recession much faster than predicted. 2010's rapid growth was driven by inventory rebuilding. Industry growth in 2011 was somewhat less than historical GDP+ growth rates. Xerium is growing faster than paper tonnage.

- **Xerium grew 7.0%, of which 3% is represented by currency translation effects, in 2011 as the paper industry recovered**
 - ✓ Paper tonnage increased 1.7% versus 2010
- **CEPI shows European paper tonnage decreased 1.9% in 2011**
- **Based on Xerium surveys, overall PMC inventories are stable at ~90% of peak November 2008 levels**
- **Globally, mill capacity utilization is above 90%**
- **Earthquake and tsunami-related Japanese market disruption is expected to be limited to 2011**

The paper industry continues a slow transition to faster and wider machines replacing slower, narrow machines. Indigenous paper manufacturers are developing in lower cost countries, while first world companies are relocating.

Major Paper Machines in Operation in the World

	P&W	News	Packaging	Tissue	Other	Total
EMEA	423	103	840	384	489	2.239
NA	232	72	312	226	342	1.184
Asia	658	134	842	258	309	2.201
SA	77	11	310	166	100	664
Total	1,390	320	2,304	1,034	1,240	6,288

Note: We estimate a total of 7,700 machines are in use today

Source: Fischer data Base Feb 2009

To satisfy growing global demand, paper manufacturers are installing state-of-the-art machines increasing dependence on high performance PMC and roll covers, unavailable from local Asian and South American manufacturers.

Paper Production – Tons by Region

Tonnes	2008 Actual	2009 Actual	2010 Actual	2011 Est.	2012 Est.	2015 Est.	GROWTH '11 - '15 TONNES	CAGR
NA	95,870	84,586	88,636	87,328	87,200	89,960	2,332	.7%
EMEA	119,497	107,867	116,678	117,245	118,372	125,421	8,176	1.7%
SA	19,709	19,660	20,292	21,400	22,178	25,448	4,048	4.4%
AS	156,274	158,408	168,296	174,934	184,986	217,813	42,879	5.6%
TOTAL	391,350	370,521	393,902	400,907	412,736	458,342	57,435	3.4%

Asian and South American paper production are forecasted to grow

Xerium's Mission is to earn and maintain the highest customer loyalty in our served markets.

To accomplish our mission we will:

1. Penetrate new and emerging markets

Capitalize on paper production transition toward South America and Asia

Increase focus on customers producing personal care papers and tissues

2. Introduce New Products delivering measurable customer benefit

Invest in development to increase % of sales generated from new, more profitable products

Develop “global” product families based on common production processes and materials

Reduce costly process raw material losses

3. Engage the Workforce

Have the “best” people in the right jobs within a ‘lean’ structure

Intensely communicate to assure goal and strategy alignment

Align management incentives with Xerium's shareholders' goals – Management as Owners

4. Manage in a fiscally responsible manner

Continuously reduce operating expenses

Price our products based upon the value they deliver

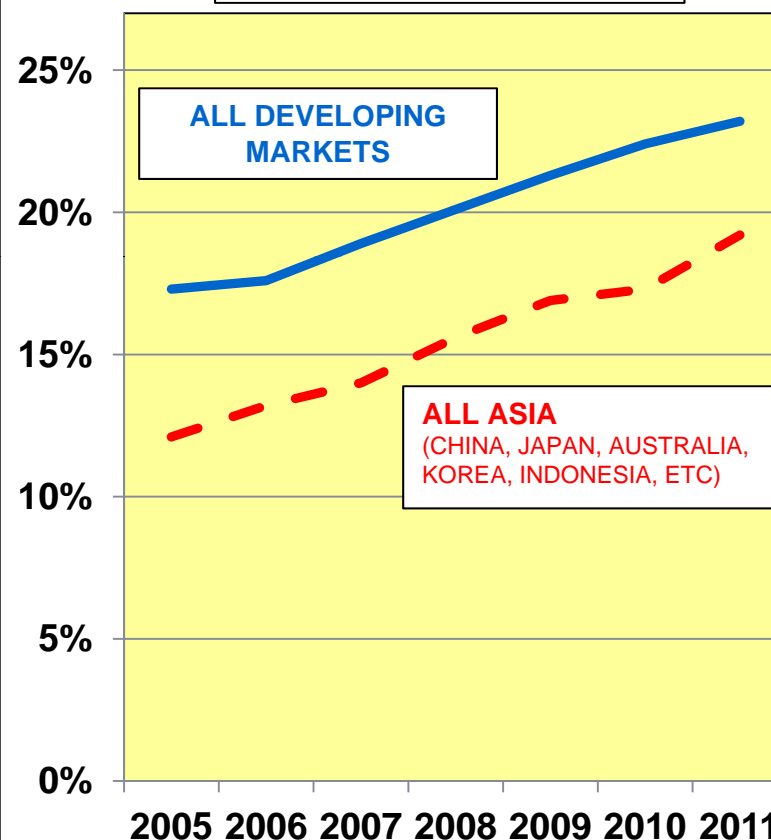
Continuously Reduce Trade Working Capital

Xerium's revenue from developing markets has increased steadily since 2006 in response to the growing paper production tonnage in these regions....

Drivers of increasing developing market penetration

- Tripled the size of the sales and applications workforce in Asia
Assigned 'gray beard' paper makers to train the new team
- Acquired a multi-plant Chinese roll cover company
- Retooled and re-staffed existing low cost manufacturing sites in Brazil
- Deployed the highly successful North American "Value Results" mill improvement platform in Asia

Revenue from Developing Markets



Xerium's new product strategy increases developing market penetration, gains share in mature markets and increases margins, while reducing manufacturing costs/complexity and order-to-delivery leadtime to become globally competitive. Xerium expects to derive 60% of revenue from new product sales by 2012.

Innovation

- **Gain market share through application of unique performance features; capture premium pricing**
- Break through or new technology, defensible intellectual property the competitors can't replicate
- SmartRoll™, EDC, Impact, EnerSTAR™

Performance

- **Gain / Defend market share; recover lost pricing potential of mature products**
- Product introductions that significantly enhance contemporary product performance
- New tissue products, new generation spreader rolls

Rationalization

- **Defend market share and price, drive internal savings**
- Product launches that while upgrading product performance, are primarily intended to reduce manufacturing, service and warranty costs
- ProSeam, Avantexx

Non Paper

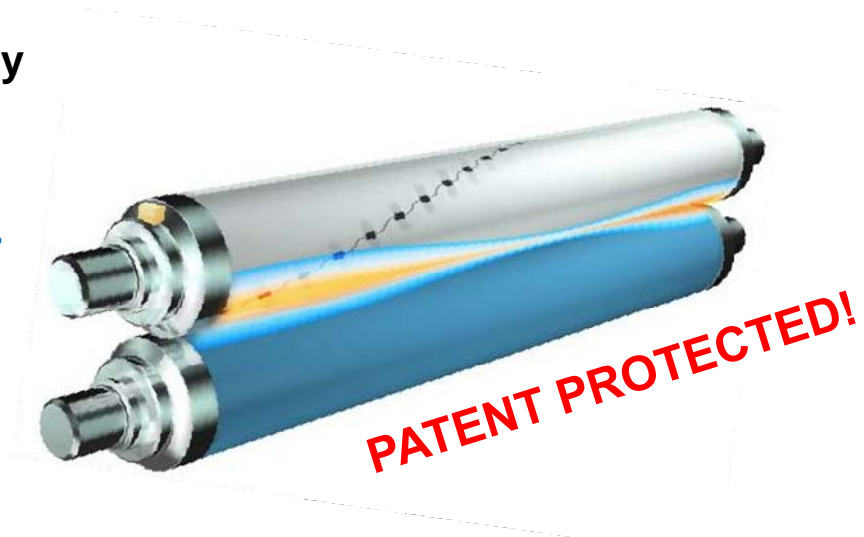
- **Provide profitable growth in non-paper markets**
- This includes new products developed for the non-woven textiles industry, fiber cement, oil field development, and other markets

This strategy is a “Win – Win” by creating “best in class products” for all paper grades, machine technologies, and machine sizes, while reducing Xerium's manufacturing complexity and cost.

The highly successful “SmartRoll™” is a “game changing” new product that provides the paper maker with real-time monitoring of critical roll loading.

- Initial global target market estimated at 3,500 rolls in single press Nip machines
- One of more than 35 new product launches since January 2009
- Applicable to all key positions of paper machines and industrial roll applications
- Available with any covering material
- More than 200 orders received since commercial product launch
- More than 175 operating already
- **99.5% reorder rate!**

SMART
TECHNOLOGY

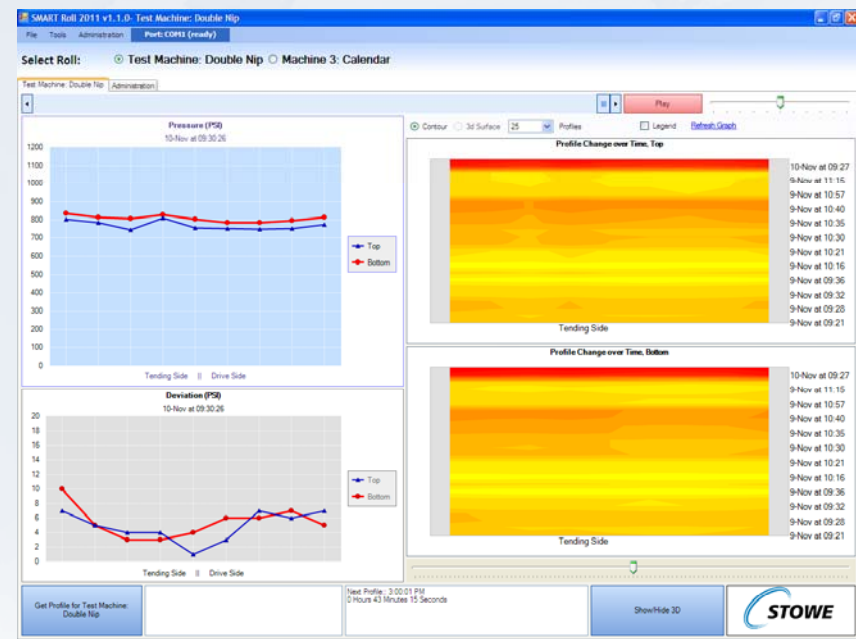
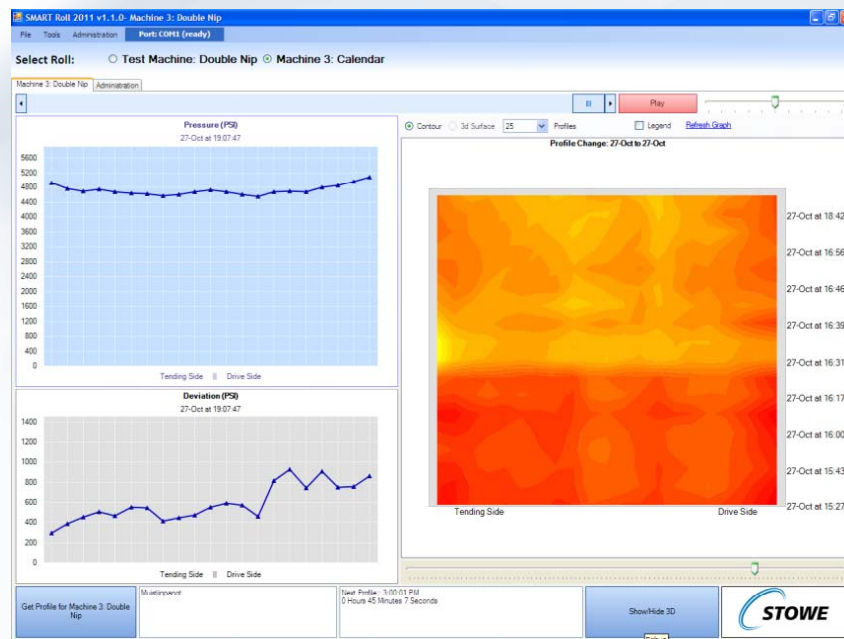


Initial customer successes have identified many more applications increasing the addressable market well beyond our initial 3,500 roll estimate.....

.....and based on these successes, our engineers have begun to expand the SmartRoll™ into a “family” of new products for additional applications....



■ Multiple-Press Nip measurements



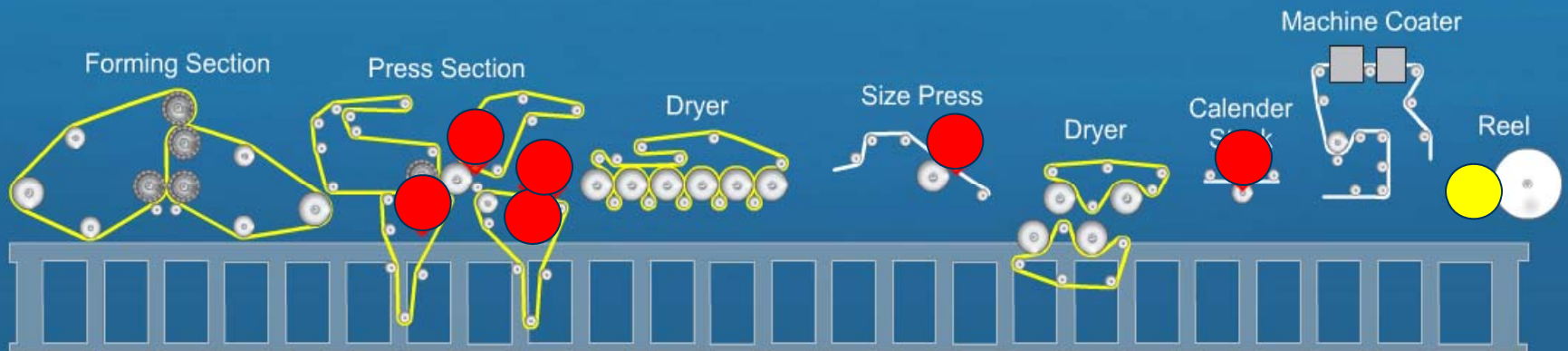
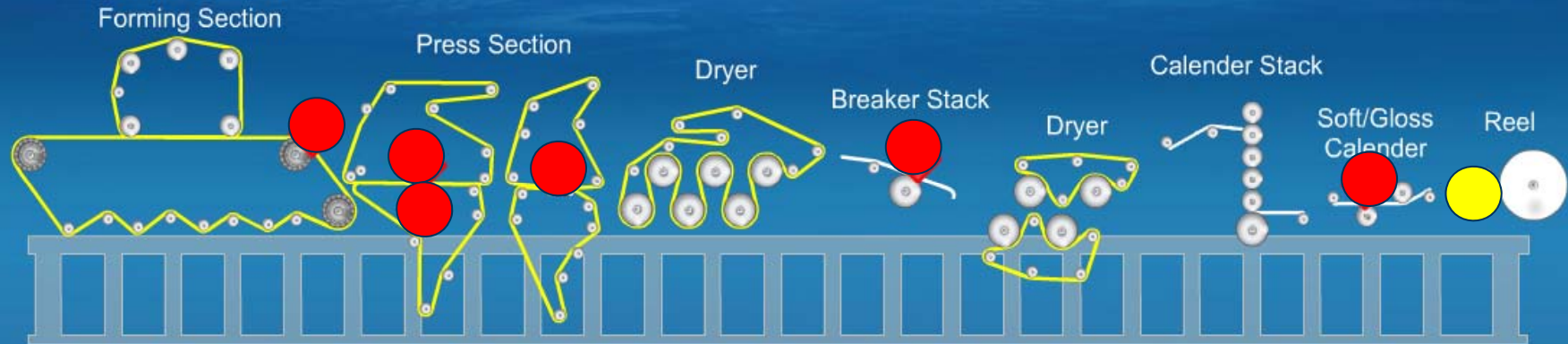
Profiles at various rates

Multiple Units

History and Deviation Analysis

Double Nip Output Profiles

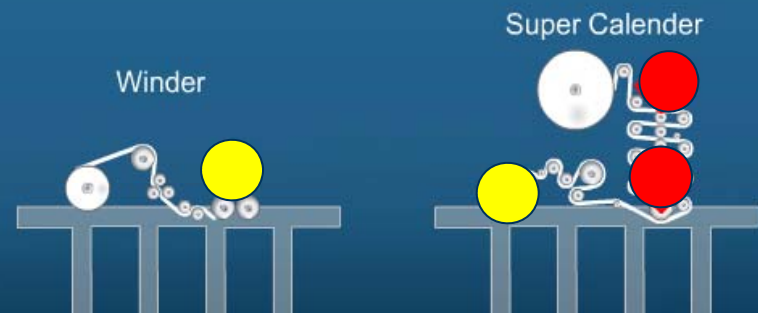
Globally, Xerium has >175 operating SmartRolls™ in 14 unique customer-proven applications, and more under development.



Global over 140 worldwide

In Development

Future Potential

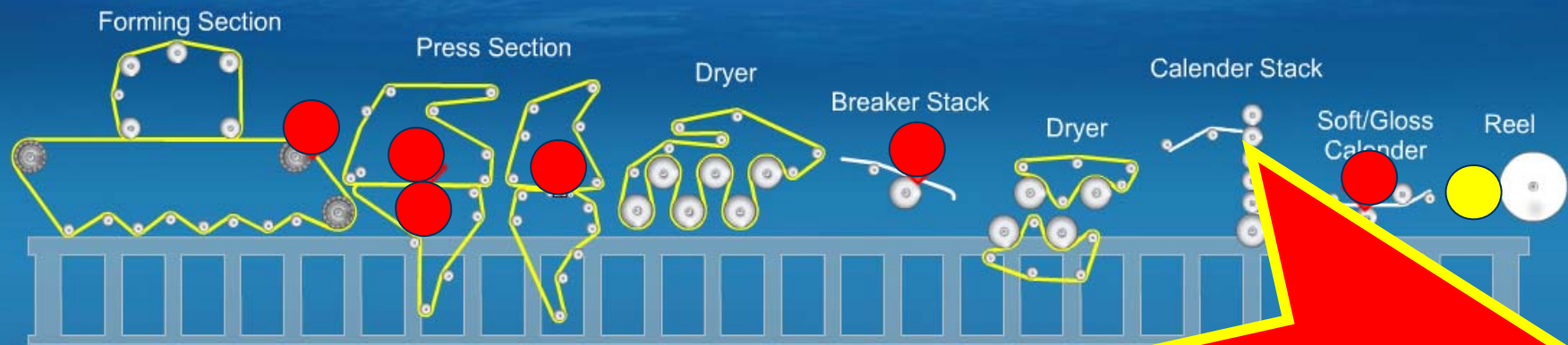


Most machines are candidates for at least one SmartRoll™....

... but definitely not this one!



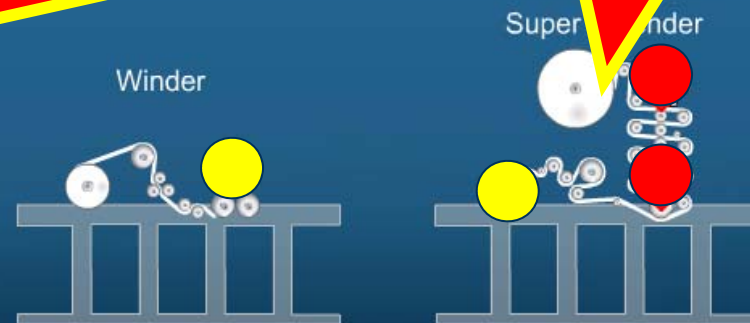
Globally, Xerium has >100 operating SmartRolls™ in 14 unique customer-proven applications, and more under development.....



● **Global** *over 140 worldwide*

● **In Development**

● **Future Potential**



.....and there's still more "Smart" Technology to come.....for example...

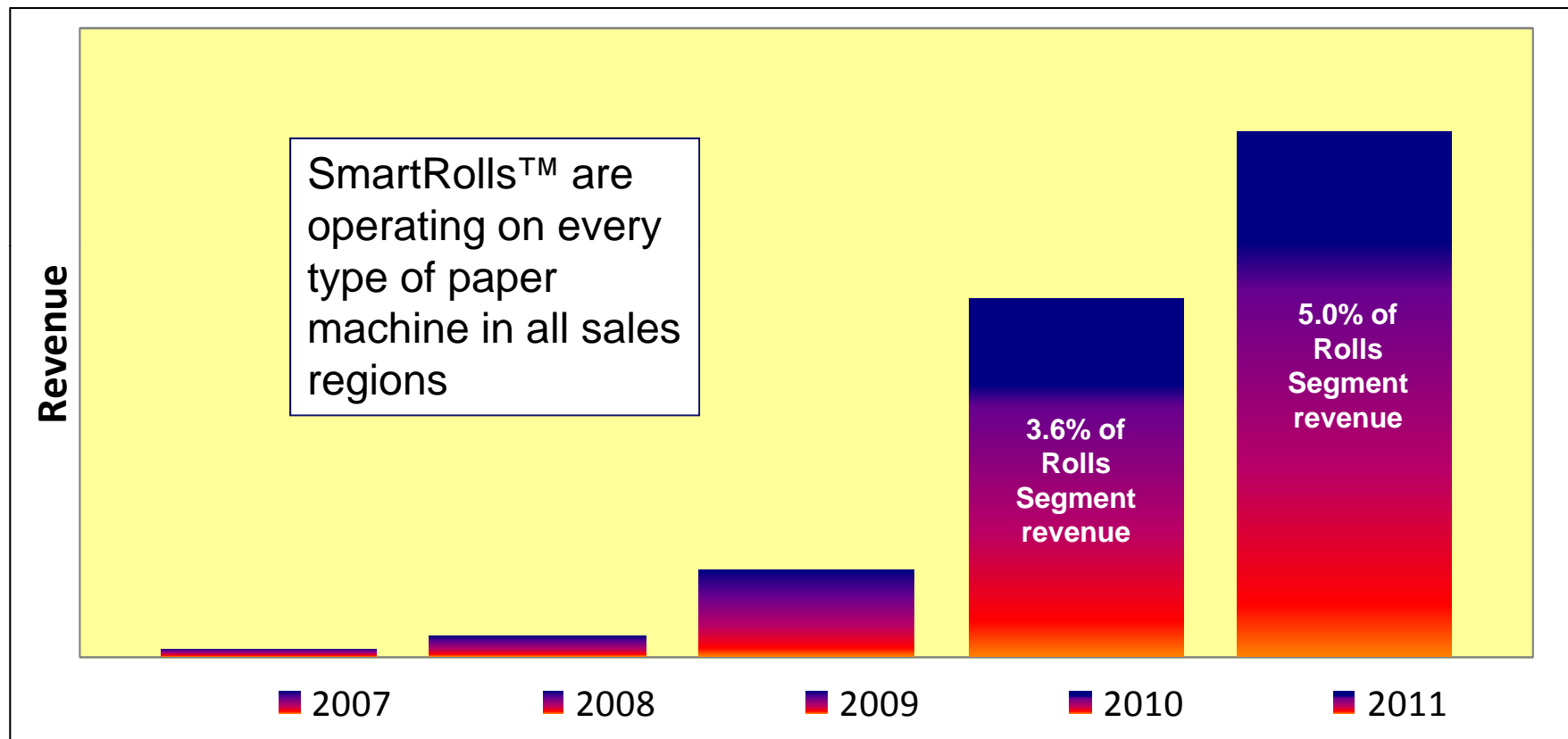
...Xerium now introduces its new “SmartRemote™” on-line continuous monitoring subscriber service, which helps every machine manager fully capture the benefits of their SmartRoll™ investment!



- 24 x 7 x 365 real time remote monitoring of SmartRoll operations
- remote paper machine troubleshooting
- remote SmartRoll™ diagnostics
- remote on line SmartRoll™ system software upgrades

Accelerating adoption of Xerium's patented SmartRoll™ and its rapidly increasing applications, validates our new product strategy. Paper makers will take reasonable risks to achieve breakthrough performance gains.

SmartRoll's market acceptance has reached critical mass



In December 2011, Xerium received its
204th SmartRoll™ order!

In addition, Xerium is implementing a globalized manufacturing plan that improves operational performance, supports new product introductions, and leverages its existing asset base, without significant capital investment.

Operational Strategy:

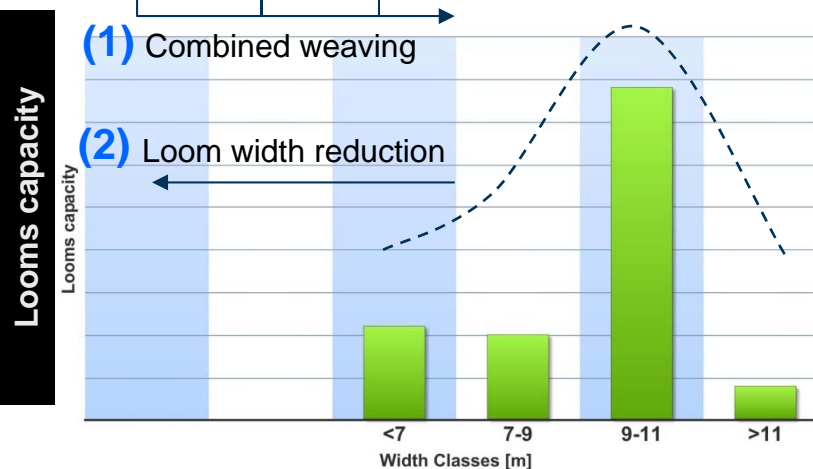
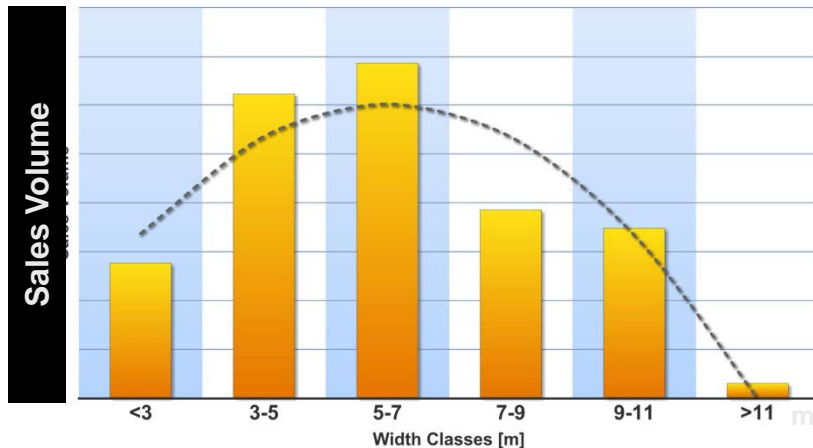
“One Factory – Many Roofs – No Oceans”

- Design engineers develop new families of products increasing manufacturing commonality
 - to maximize production site flexibility,
 - minimize losses resulting from trimming excess woven width
- Manufacturing engineers drive process standardization across all plants
- Increased raw material commonality enhances purchasing leverage with emphasis on yarn and fiber
- Centralized planning establishes sources of supply based upon optimal order fulfillment lead time, capacity utilization, freight cost, and cost to produce

Clothing orders are being allocated to factories on a “global best fit”, shortest leadtime basis.

Xerium operations strategy uses standardized product designs to: improve performance, reduce lead times, minimize waste, reduce inventories and increase capacity. Now we match our weaving widths to customer paper machine widths more perfectly.

Customer ordered fabric width



XRM's Loom width distribution

- Reducing the number of designs increases the number of machines that can be assigned to weave the same fabric substantially reducing trimming waste
- Fewer designs allow us to weave rolls of fabric which can be finished in a very short time

Dryer Fabrics



- Reduced scrap costs
- Shortened order to delivery cycles
- Lower inventories
- Increase weaving capacity without capex

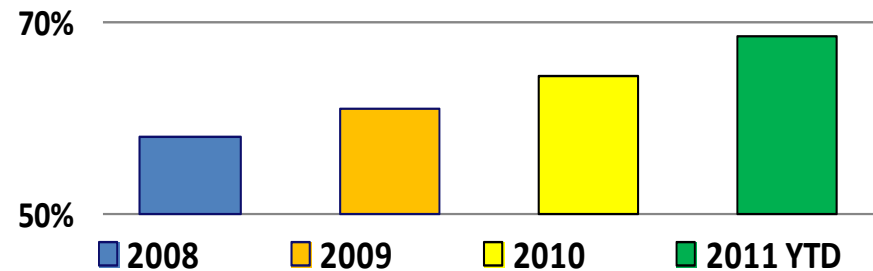
As we fully implement our new products, reducing loom widths to better match customer machines sizes will improve material 'yield' to capture **\$225,000** of adjusted EBITDA per percentage point of improvement, and increase capacity without Capex.



Empty cannisters on the loom ends shows progress in narrowing looms to more closely match customers' machines



Total Global Dryer Yield

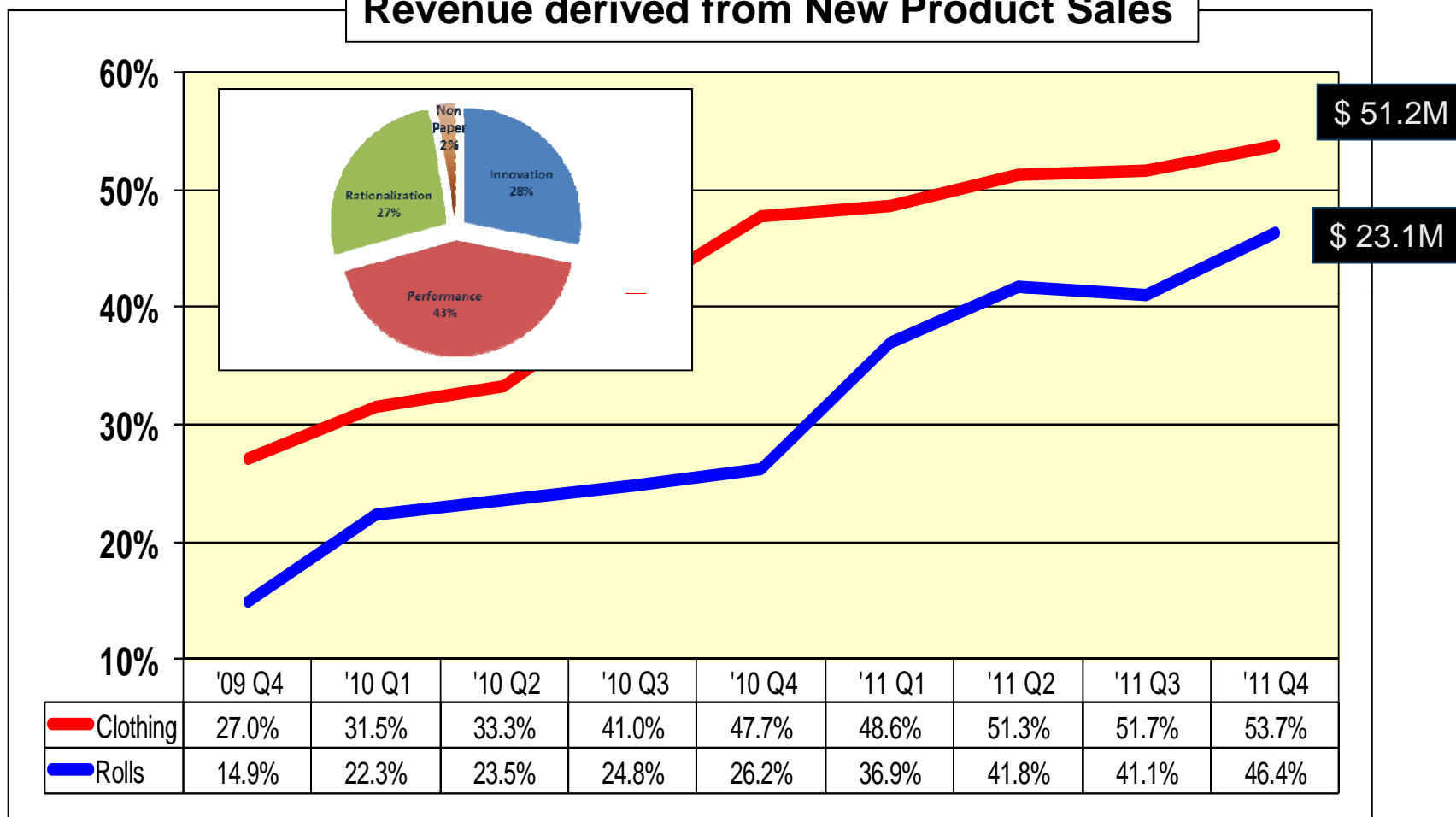


Dryers, were the first product line addressed in Xerium's new product plan, and have seen yields increase from:

- ❖ the introduction of common weaving platforms,
- ❖ improved scheduling techniques,
- ❖ netting capacity between global factories,
- ❖ weaving equipment modifications, and
- ❖ improved weave quality.

Our goal is to derive 60% of revenue from new products that make measurable improvements in customer performance, and reduce our costs. Steadily increasing revenue shows Xerium's progress using its unique technologies.

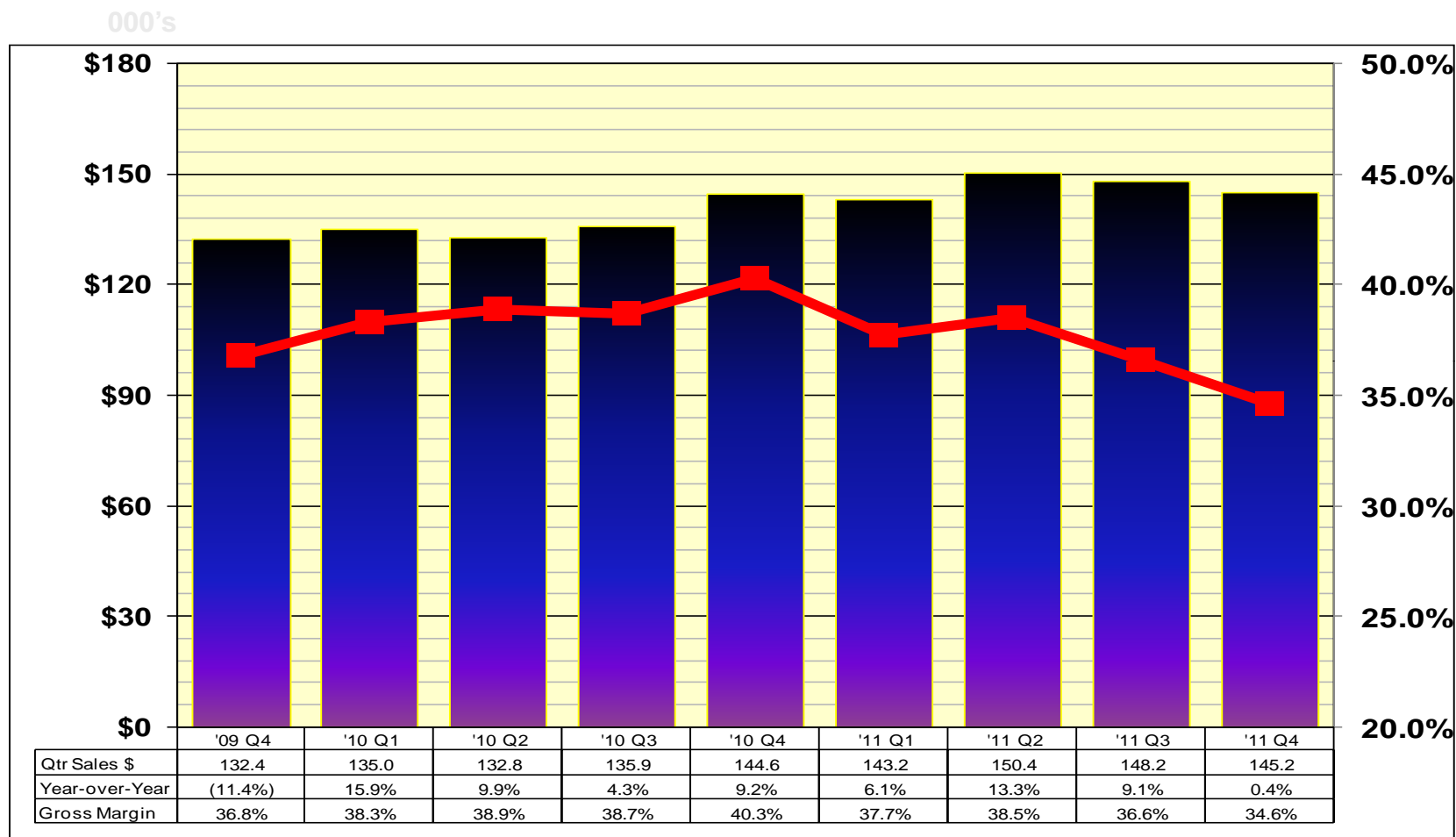
Revenue derived from New Product Sales



Meaningful progress continues on Xerium's goal to increase its technological leadership. Our goal is to derive 60% of XRM's sales revenue from products developed within the prior five years, that make a measurable improvement in customer performance, are defendable long term and simultaneously reduce our operating costs.



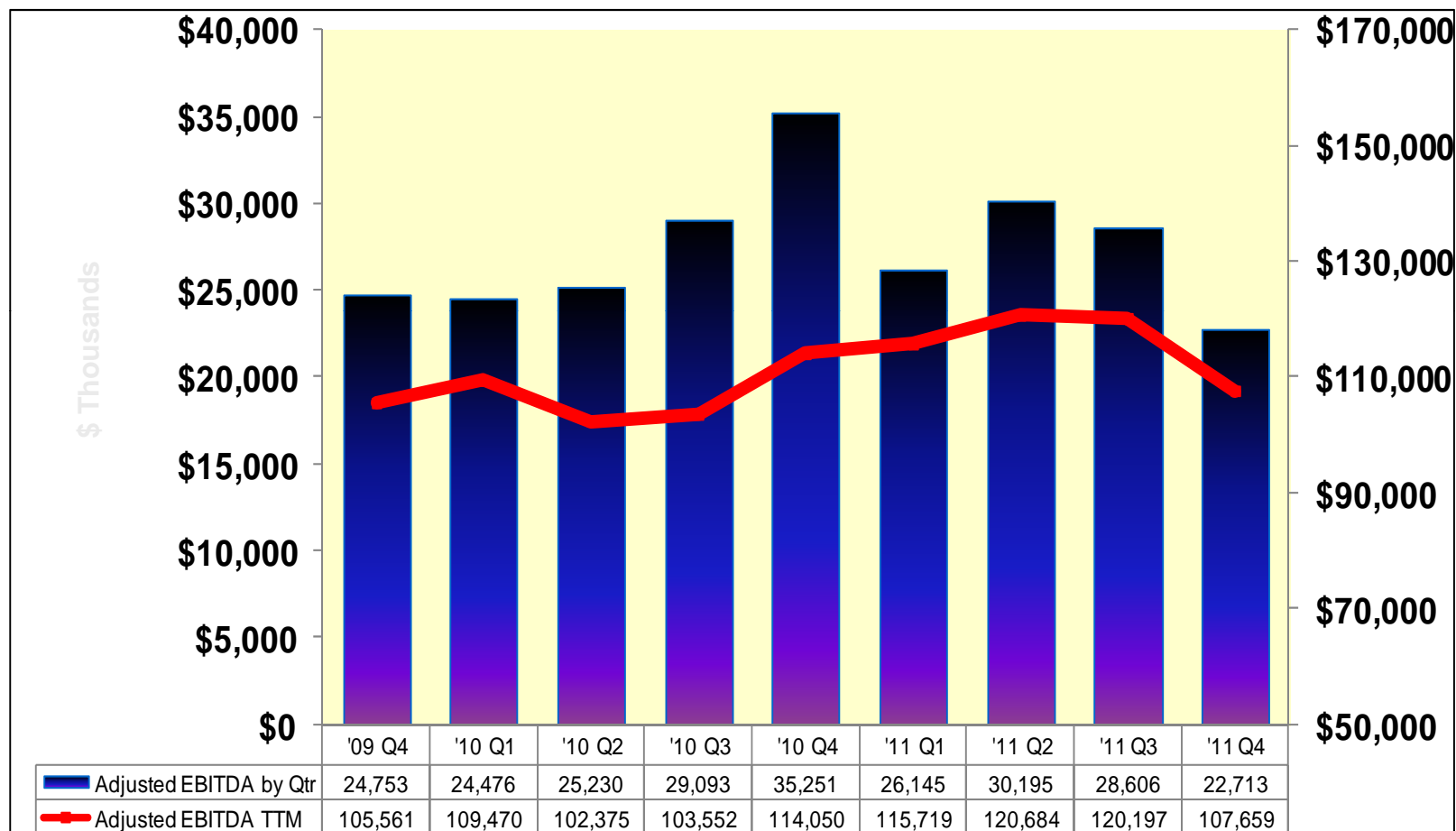
Total Xerium Quarterly Sales and Gross Margin



Q4 2011 net sales increased 0.4% from Q4 2010. Gross margins declined to 34.6% for Q4 2011 as compared to 40.3% for Q4 2010. This decrease was primarily the result of (1) unfavorable production cost absorption due to concerted efforts to decrease production and reduce inventories, (2) a favorable recovery of inventory reserves in 2010, (3) inability to offset increased raw material costs and (4) strong sales growth in regions and products with lower margins.



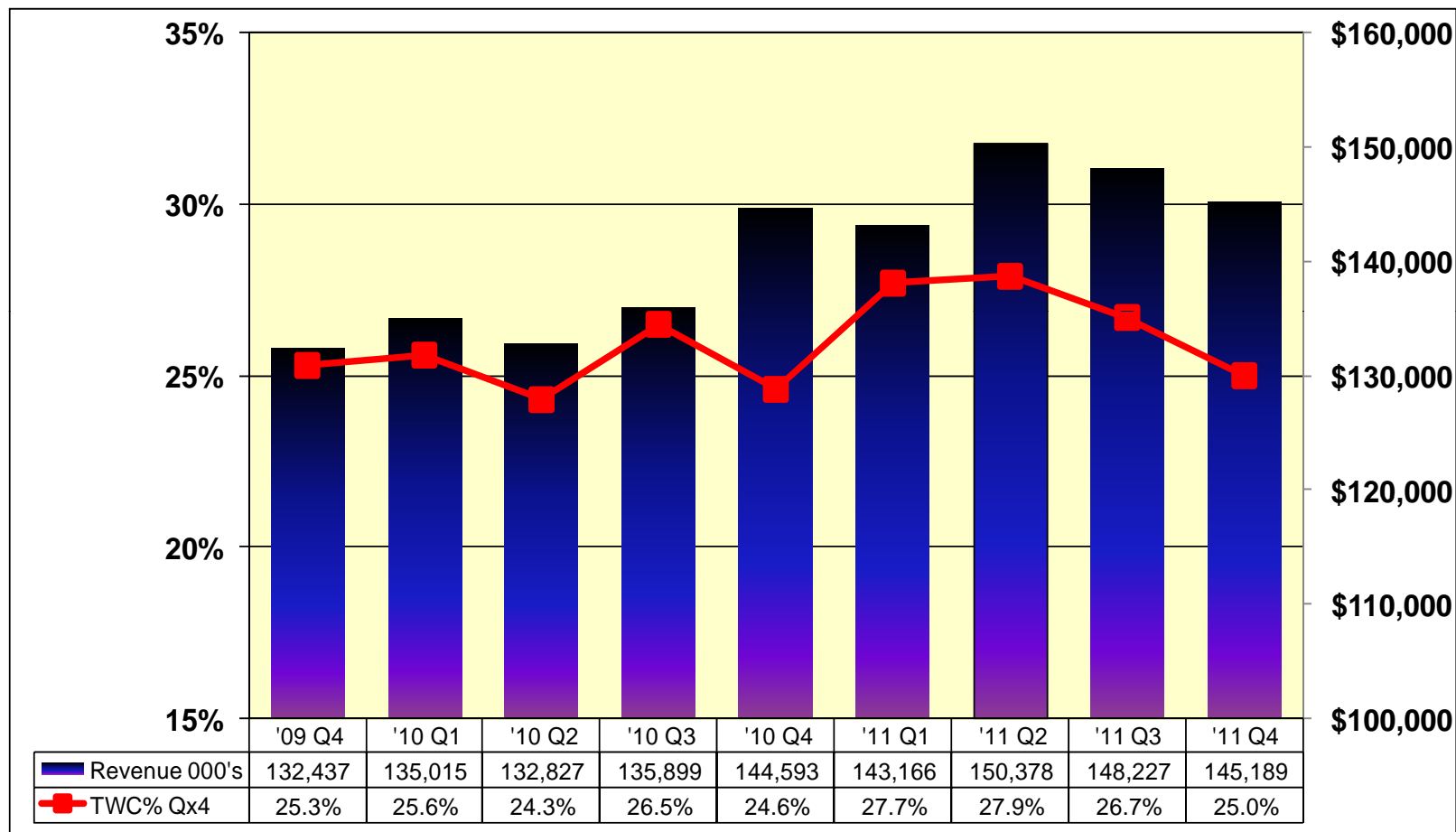
Trailing Twelve Month (“TTM”) Adjusted EBITDA



Note: Adjusted EBITDA at each quarter was the amount as calculated per the definition in the current credit facility with the exception that we have added back to net income (loss) per the terms of our prior credit facility financial restructuring costs of \$9.6M, \$15.3M, \$0.8M and \$0.6M incurred as part of the reorganization in Q1 2010, Q2 2010, Q3 2010 and Q4 2010, respectively. A reconciliation of Trailing Twelve Month Adjusted EBITDA to Net Income (Loss) and operating cash flows is available in the investor relations section of the Company's website at www.xerium.com.



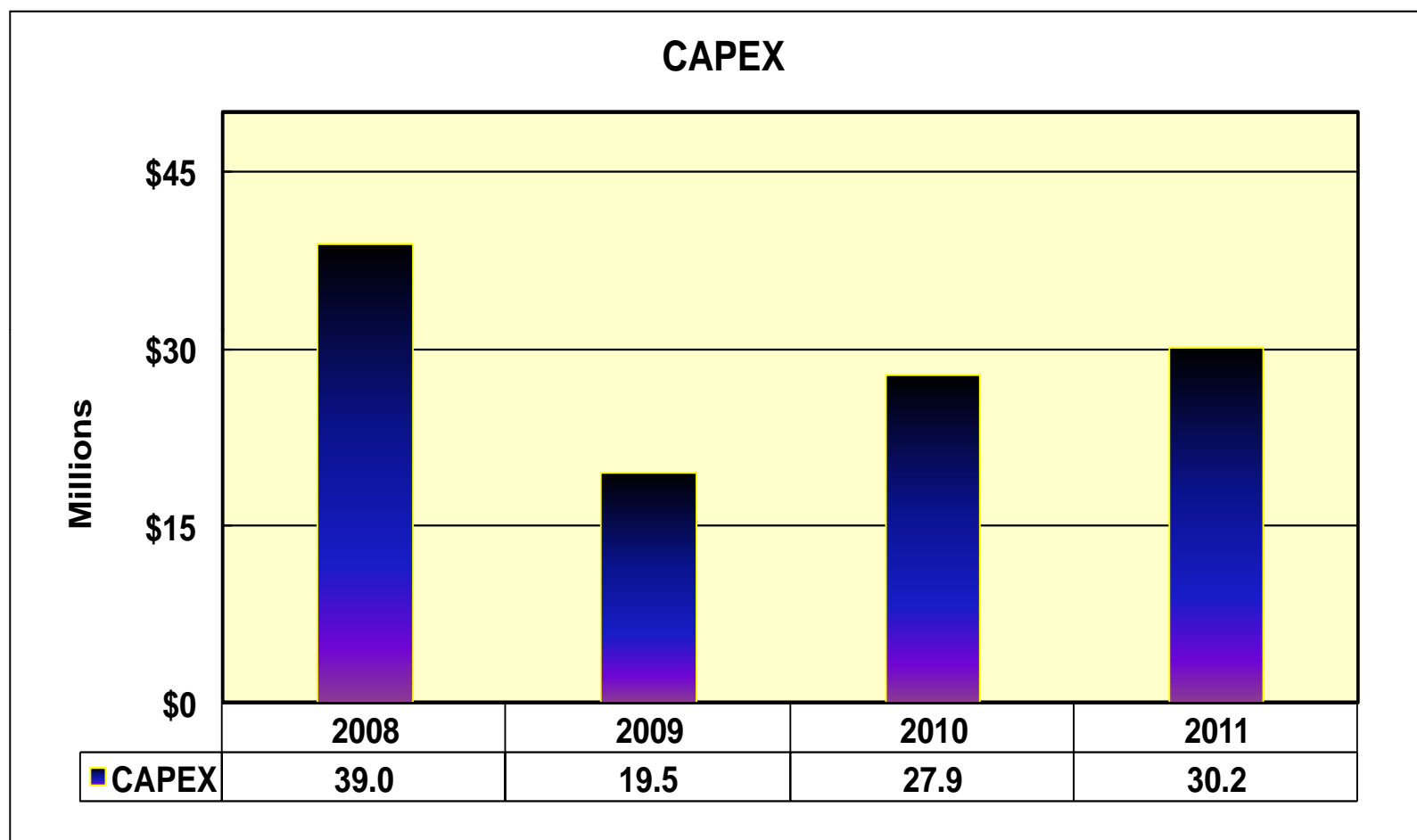
Trade Working Capital (“TWC”) as a Percent of Revenue



Trade working capital % improved 170 basis points versus Q3 2011 due primarily to reduced levels of inventories and increased trade payables.

Note: a reconciliation of Trade Working Capital to Revenue is available in the investor relations section of the Company's website at www.xerium.com.

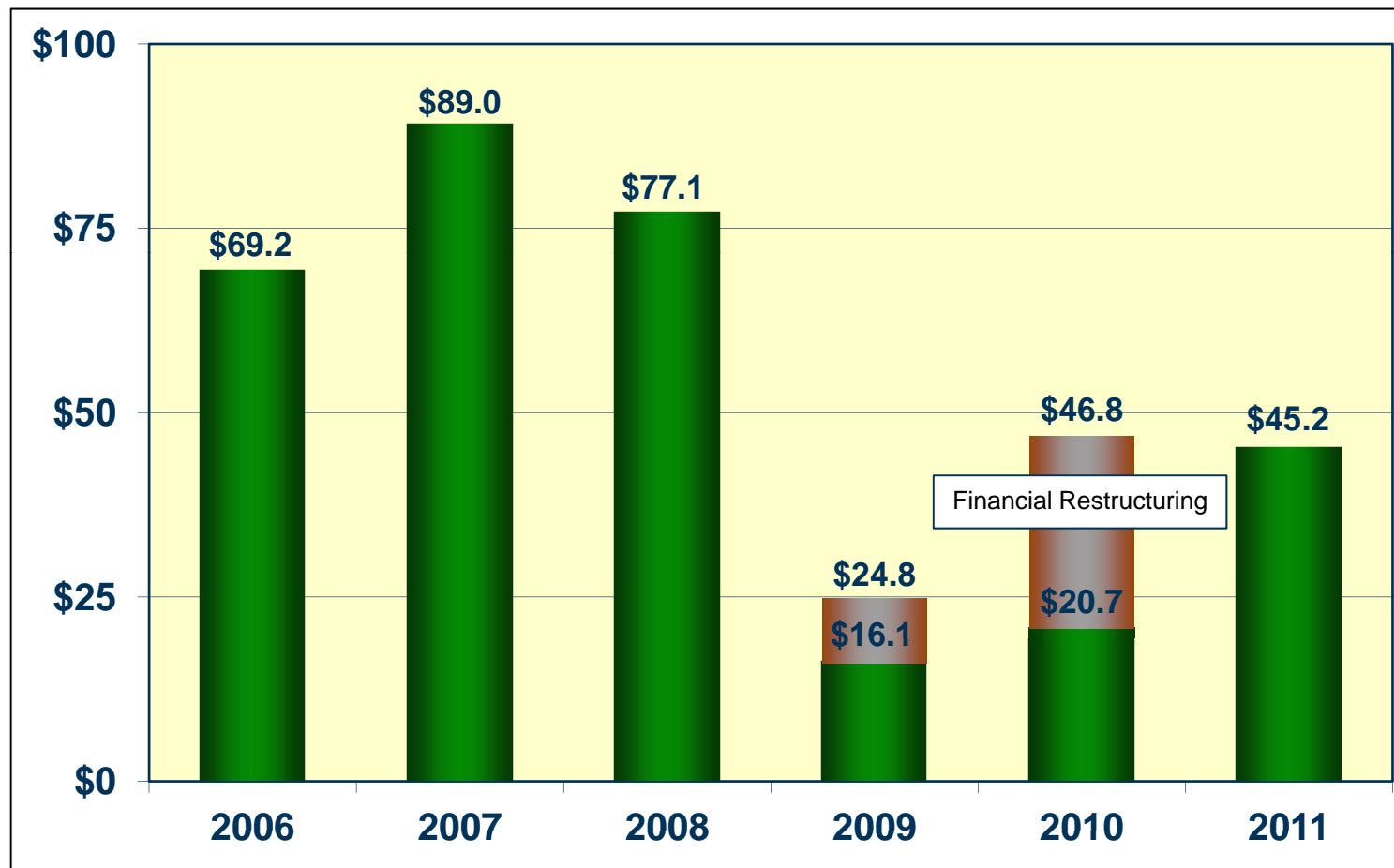
Total Xerium Annual Capital Expenditures



2011 investments focused on PMC capacity, new products and maintenance of existing equipment capacity.

2011's Net Cash Flow from Operations was more than sufficient to cover capital expenditures, refinancing activities, and debt repayment.

Net Cash Flow from Operations



75% of the debt is fixed or capped.

Xerium is well positioned to benefit from stability in developed paper markets and growth in emerging markets, with industry leading new products, world class execution and a solid balance sheet.

- Top tier in a large, mature, and geographically diverse, \$3.1 B market.
- Xerium revenue growth is driven by overall market expansion, mix driven market share gains, new products and expansion into Asia.
- “Bottom line” growing faster than top line owing to improved margin new products, and continued operating cost reductions.
- Sources of revenue highly diversified by customer, geography, and paper grade.
- Recurring revenue stream – all Xerium products are consumables .
- Earned customer loyalty.