

**Brookwood Advises on Sale of Remy International Business Units**

We are pleased to announce that Brookwood advised Remy International, Inc. (“Remy”) and its shareholders, including Court Square Capital Partners (formerly Citigroup Venture Capital) and Berkshire Hathaway, Inc., on the sale of its Franklin Power Products, Inc. and International Fuel Systems, Inc. business units (“Remy Diesel”) to Caterpillar, Inc. Remy Diesel is the leading contract remanufacturing provider of diesel engines and major diesel engine components primarily for mid-duty Ford and Navistar - International trucks.

- **Effective Positioning** – After conducting thorough due diligence, Brookwood drafted marketing materials that (i) explained the competitive structure and key trends in Remy Diesel’s remanufacturing segment, (ii) emphasized the company’s strong position with Ford and Navistar, (iii) provided an analysis of historical growth in units and margins by product line, and (iv) conveyed a strong foundation for Remy Diesel’s expected growth.
- **Innovative Structure** – Remy’s goals were to achieve a high level of cash consideration in a very clean transaction structure. The transaction terms included very attractive seller indemnity terms and a seller-favorable purchase price mechanism.
- **Attractive Result** – Although our marketing process generated significant interest in Remy Diesel, it was interrupted by an announcement from Remy Diesel’s major customer (Navistar) regarding a newly formed global remanufacturing alliance with Caterpillar, Inc. Despite the chilling effect of this announcement, Brookwood was able to help Remy achieve a very attractive transaction value with Caterpillar, Inc.



*“We are very pleased with Brookwood’s professional transaction management and the results of the Remy Diesel divestiture. In particular, Brookwood was very effective in achieving attractive resolutions of several challenging transaction issues that arose during the sale process.”*

**Tom McWilliams, Managing Director**  
 Court Square Capital Partners

We welcome the opportunity to speak with you regarding advisory engagements involving sales of stand-alone businesses, corporate divestitures, acquisitions, debt and equity financings, bankruptcy / restructuring assignments and fairness opinions.

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