



## **Chassix Reaches Agreement on Comprehensive Restructuring and Recapitalization; Files for Chapter 11 to Implement “Pre-Negotiated” Plan**

*Global Operations Continuing in Ordinary Course with Support from All Major Stakeholders*

*Receives Commitment for \$250 Million of Financing to Support Worldwide Operations*

**SOUTHFIELD, Mich. – March 12, 2015** – Chassix Holdings, Inc. (“Chassix”) today announced that it reached agreement with 80% of its unsecured bondholders and 71.5% of its senior secured bondholders, its existing sponsor, and all of its largest customers regarding the terms of a comprehensive restructuring and recapitalization of the Company (the “Plan”). In particular, the Plan will enhance the Company’s financial strength and position it to move forward as a robust, well-capitalized global automotive supplier.

Among other things, the Plan provides for a debt-for-equity swap that will significantly reduce the Company’s outstanding bond debt and debt payment obligations. Chassix intends to implement the Plan in conjunction with a pre-negotiated and fully documented restructuring support agreement and plan of reorganization.

To implement the Plan, Chassix and its U.S. subsidiaries today voluntarily filed for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. Chassix’s operations outside the United States are not included in the Chapter 11 proceedings.

“Chassix has been working diligently to address challenges that have impacted the Company’s profitability and cash flows in recent months,” said Mark Allan, Chassix Chief Executive Officer. “The actions we are announcing today represent the culmination of those efforts. The agreement we’ve reached with our bondholders, customers and other parties is intended to strengthen Chassix’s financial condition as we continue to implement operational improvements that will enhance production, improve cash flows and better position us to support the significant demand for our products.”

Allan continued, “Our operations in the United States and around the world are open and conducting business in the ordinary course. Our top priority continues to be providing our customers with the high-quality products and service they have come to expect from Chassix. The senior management team and I greatly appreciate the loyalty and support of our employees, whose dedication and hard work are critical to our success and integral to the future of Chassix.”

In conjunction with the restructuring, Chassix has received a commitment for a total of \$250 million in debtor-in-possession financing (“DIP Financing”), in the form of a \$150 million asset-based-loan from PNC Bank that will replace its current ABL facility and an incremental \$100 million of liquidity in a term loan provided by certain of the Company’s bondholders. Upon Court approval, this financing, combined with cash generated by the Company’s ongoing operations, will be available to Chassix to

meet its operational and restructuring needs. In addition, certain of the Company's bondholders have committed to make an additional \$50 million in financing available to the Company at emergence from Chapter 11.

Chassix today filed a proposed plan of reorganization and disclosure statement with the bankruptcy court, along with various "First Day motions" to support its reorganization and the uninterrupted continuation of its business.

Additional information regarding Chassix's restructuring is available at [www.chassix.com](http://www.chassix.com). Court filings and information about the claims process are available at <https://cases.primeclerk.com/chassix> or by calling Chassix's claims agent, Prime Clerk, at 844-224-1137 (or 917-962-8896 for international calls).

Weil, Gotshal & Manges LLP is serving as legal counsel and Lazard Freres & Co. LLC is serving as financial advisor to Chassix. FTI Consulting is providing interim management services to Chassix, including operational evaluation, business plan development and strategy implementation.

### **About Chassix**

Chassix represents a \$1.4 billion, privately held automotive supplier of precision casting and machining solutions. The brand was launched in 2013 following the integration of the businesses of SMW Automotive, LLC and Diversified Machine, Inc. The Company is focused on delivering high-quality, precision ductile iron and aluminum chassis components, with more than 4,500 employees in 26 locations in every key region of the world.

### **Forward-Looking Statements**

This press release contains, and oral statements made from time to time by our representatives may contain, forward-looking statements that are based upon our current expectations and assumptions concerning future events, which are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. The words "expect," "anticipate," "estimate," "forecast," "initiative," "objective," "plan," "goal," "project," "outlook," "priorities," "target," "intend," "evaluate," "pursue," "commence," "seek," "may," "would," "could," "should," "believe," "potential," "continue," or the negative of any of those words or similar expressions is intended to identify forward-looking statements. All statements contained in this press release, other than statements of historical fact, including, without limitation, statements about our operations, financial condition and liquidity, strategies, business initiatives, prospects, expectations regarding future events and our financial performance and the development of the industry in which we operate, are forward-looking statements that involve certain risks and uncertainties. While these statements represent Chassix's current judgment on what the future may hold, and Chassix believes these judgments are based upon reasonable assumptions, these statements are not guarantees of any events or financial results, and the company's actual results may differ materially.

You should not place undue reliance on the forward-looking statements contained in this press release. These forward-looking statements speak only as of the date on which the statements were made.

Chasix undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except where expressly required by law.

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