

# DONNELLY PENMAN & PARTNERS

INVESTMENT BANKING

## FormTech has been Acquired by an Affiliate of Hephaestus Holdings, Inc. a Portfolio Company of KPS Capital Partners, LP

### FormTech Industries, LLC (“FormTech”)

FormTech utilizes precision hot forging, cold and warm shaft forging, machining and additional processing to manufacture components for the automotive, commercial vehicle, heavy duty truck and industrial markets. FormTech possesses the most installed hot forging capacity in North America. The Company operates out of six facilities, employs over 400 individuals and utilizes over 100 forming presses. The Company is headquartered in Royal Oak, MI and has manufacturing locations throughout the Midwestern United States.

### Hephaestus Holdings, Inc. (“HHI”)

HHI, through its Jernberg Holdings, Inc., Impact Forge Group, Inc., HHI FormTech, LLC, and Kyklos Bearing International, Inc. (“KBI”) subsidiaries, is the largest independent manufacturer of forged parts and a leading manufacturer of wheel bearings for the North American automotive industry. Jernberg Holdings, Inc., Impact Forge Group, Inc., and HHI FormTech LLC, through their respective subsidiaries, manufacturer highly engineered symmetrical and asymmetrical forged parts for various power train and wheel-end applications. KBI is the leading producer of Gen III wheel bearings in North America. HHI is owned by KPS Capital Partners, LP and MC Capital Inc., a subsidiary of Mitsubishi Corp. After the Transaction, HHI employs over 2,000 people, and operates twelve manufacturing facilities located in the Illinois, Indiana, Michigan, and Ohio.



### The Transaction

KPS Capital Partners, LP (“KPS”), portfolio company HHI, has acquired substantially all the assets of FormTech through an indirect, wholly-owned subsidiary. HHI acquired FormTech free and clear of substantially all liens, claims, encumbrances and interests through an auction conducted as part of a sale process under Section 363 of the United States Bankruptcy Code. The U.S. Bankruptcy Court for the District of Delaware approved the transaction on October 1, 2009. Donnelly Penman & Partners acted as investment banking advisor to FormTech in conjunction with the 363 sale process. Conway MacKenzie, Inc. acted as financial advisor and Chief Restructuring Officer to FormTech and Potter Anderson & Corroon LLP and Strobl & Sharp, P.C. acted as legal advisors to FormTech.

For further information, please contact **James C. Penman**, Managing Director, at (313) 393-3056 or **Jeremy Lamb**, Vice President, at (313) 393-3073.

### Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a [FINRA](#) licensed broker dealer and member [SIPC](#).

Donnelly Penman & Partners is owned by the employees of the firm, who have participated in more than 225 transactions since the firm's inception in September 2000 and collectively have more than 85 years of investment banking experience.

17160 KERCHEVAL AVENUE • GROSSE POINTE, MI 48230-1661  
313-446-9900 • FAX 313-446-9955 • [WWW.DONNELLYPENMAN.COM](http://WWW.DONNELLYPENMAN.COM)

MEMBER FINRA/SIPC