

Remy International, Inc.
Consolidated statements of operations

| | Successor | | | Predecessor |
|---|--------------------------|--------------|-------------------------------------|-----------------------------------|
| | Years ended December 31, | | Period August 15 to December 31, | Period January 1 to August 14, |
| (In thousands, except per share amounts) | 2014 | 2013 | 2012 | 2012 |
| Net sales | \$ 1,182,328 | \$ 1,140,183 | \$ 416,317 | \$ 723,278 |
| Cost of goods sold | 1,020,095 | 954,402 | 348,176 | 574,639 |
| Gross profit | 162,233 | 185,781 | 68,141 | 148,639 |
| Selling, general, and administrative expenses | 132,693 | 135,237 | 45,655 | 84,284 |
| Restructuring and other charges | 3,383 | 4,066 | 1,699 | 6,013 |
| Operating income | 26,157 | 46,478 | 20,787 | 58,342 |
| Interest expense—net | 20,029 | 18,978 | 9,529 | 17,473 |
| Loss on extinguishment of debt and refinancing fees | — | 2,737 | — | — |
| Income before income taxes | 6,128 | 24,763 | 11,258 | 40,869 |
| Income tax expense (benefit) | 55 | 8,959 | 2,854 | (72,982) |
| Net income | 6,073 | 15,804 | 8,404 | 113,851 |
| Less net income attributable to noncontrolling interest | — | 659 | 1,112 | 1,662 |
| Net income attributable to common stockholders | \$ 6,073 | \$ 15,145 | \$ 7,292 | \$ 112,189 |
| Basic earnings per share: | | | | |
| Earnings per share | \$ 0.19 | \$ 0.48 | \$ 0.24 | \$ 3.67 |
| Weighted average shares outstanding | 31,754 | 31,480 | 30,949 | 30,589 |
| Diluted earnings per share: | | | | |
| Earnings per share | \$ 0.19 | \$ 0.48 | \$ 0.23 | \$ 3.63 |
| Weighted average shares outstanding | 31,870 | 31,661 | 31,414 | 30,939 |
| Dividends declared per common share | \$ 0.40 | \$ 0.40 | \$ 0.10 | \$ 0.20 |

See accompanying notes to financial statements.

Remy International, Inc.
Consolidated statements of comprehensive income (loss)

| | Successor | | | Predecessor |
|---|--------------------------|------------------|-------------------------------------|-----------------------------------|
| | Years ended December 31, | | Period August 15 to December 31, | Period January 1 to August 14, |
| (In thousands) | 2014 | 2013 | 2012 | 2012 |
| Net income | \$ 6,073 | \$ 15,804 | \$ 8,404 | \$ 113,851 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation adjustments | (7,851) | 3,851 | 5,871 | (3,076) |
| Currency forward contracts, net of tax | (7,415) | (1,465) | 4,218 | 8,598 |
| Commodity contracts, net of tax | (179) | (81) | (1,695) | 1,074 |
| Interest rate swap contract, net of tax | (1,058) | 886 | — | — |
| Employee benefit plans, net of tax | (12,050) | 6,303 | 1,563 | (106) |
| Total other comprehensive income (loss), net of tax | (28,553) | 9,494 | 9,957 | 6,490 |
| Comprehensive income (loss) | (22,480) | 25,298 | 18,361 | 120,341 |
| Less: Comprehensive income attributable to noncontrolling interest | — | 659 | 1,112 | 1,662 |
| Less: Other Comprehensive income (loss) attributable to noncontrolling interest- foreign currency translation | — | 200 | 81 | (46) |
| Comprehensive income (loss) attributable to Remy International, Inc. | \$ (22,480) | \$ 24,439 | \$ 17,168 | \$ 118,725 |

See accompanying notes to financial statements.

Remy International, Inc.
Consolidated balance sheets

| (In thousands, except share information) | Successor | |
|---|--------------------|--------------|
| | As of December 31, | |
| | 2014 | 2013 |
| Assets: | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 84,885 | \$ 114,884 |
| Trade accounts receivable (less allowances of \$1,519 and \$1,586) | 210,356 | 197,087 |
| Other receivables | 16,692 | 21,023 |
| Inventories | 164,143 | 159,340 |
| Deferred income taxes | 42,308 | 38,073 |
| Prepaid expenses and other current assets | 11,865 | 11,311 |
| Total current assets | 530,249 | 541,718 |
| Property, plant and equipment | 226,073 | 202,681 |
| Less accumulated depreciation and amortization | (61,615) | (35,659) |
| Property, plant and equipment, net | 164,458 | 167,022 |
| Deferred financing costs, net of amortization | 1,471 | 563 |
| Goodwill | 259,586 | 242,105 |
| Intangibles, net | 298,023 | 307,981 |
| Other noncurrent assets | 65,309 | 58,457 |
| Total assets | \$ 1,319,096 | \$ 1,317,846 |
| Liabilities and Equity: | | |
| Current liabilities: | | |
| Short-term debt | \$ 7,761 | \$ 2,369 |
| Current maturities of long-term debt | 3,509 | 3,392 |
| Accounts payable | 177,333 | 171,305 |
| Accrued interest | 94 | 92 |
| Accrued restructuring | 331 | 1,026 |
| Other current liabilities and accrued expenses | 128,509 | 110,876 |
| Total current liabilities | 317,537 | 289,060 |
| Long-term debt, net of current maturities | 298,295 | 295,401 |
| Postretirement benefits other than pensions | 1,484 | 1,628 |
| Accrued pension benefits | 34,267 | 19,103 |
| Deferred income taxes | 54,783 | 72,281 |
| Other noncurrent liabilities | 26,483 | 24,785 |
| Equity: | | |
| Parent company investment | — | 596,418 |
| Common stock, par value of \$0,0001; 32,201,086 shares outstanding at December 31, 2014 | 3 | — |
| Additional paid-in capital | 595,627 | — |
| Accumulated other comprehensive income | (9,383) | 19,170 |
| Total equity | 586,247 | 615,588 |
| Total liabilities and equity | \$ 1,319,096 | \$ 1,317,846 |

See accompanying notes to financial statements.

Remy International, Inc.
Consolidated statements of cash flows

| (In thousands) | Successor | | | Predecessor |
|---|--------------------------|------------|-------------------------------------|-----------------------------------|
| | Years ended December 31, | | Period August 15 to December 31, | Period January 1 to August 14, |
| | 2014 | 2013 | 2012 | 2012 |
| Cash Flows from Operating Activities: | | | | |
| Net income | \$ 6,073 | \$ 15,804 | \$ 8,404 | \$ 113,851 |
| Adjustments to reconcile net income to cash provided by operating activities: | | | | |
| Depreciation and amortization | 74,571 | 76,454 | 28,372 | 23,356 |
| Amortization of debt issuance costs and original issue discount | 193 | 143 | (28) | 1,029 |
| Stock-based compensation | 4,265 | 6,561 | 2,799 | 4,462 |
| Loss on extinguishment of debt and refinancing fees | — | 2,737 | — | — |
| Deferred income taxes | (12,212) | (9,053) | (6,541) | (84,299) |
| Accrued pension and postretirement benefits, net | (4,982) | (2,948) | (179) | (1,370) |
| Restructuring and other charges | 3,383 | 4,066 | 1,699 | 6,013 |
| Cash payments for restructuring charges | (3,202) | (6,719) | (1,507) | (5,451) |
| Other | 2,220 | (1,250) | (3,456) | (1,045) |
| Changes in operating assets and liabilities, net of restructuring charges: | | | | |
| Accounts receivable | (3,663) | (27,366) | 34,692 | (14,057) |
| Inventories | 4,381 | 259 | (661) | 3,445 |
| Accounts payable | (604) | 10,261 | (10,556) | 9,497 |
| Other current assets and liabilities, net | 2,306 | 9,035 | (6,141) | (15,050) |
| Other noncurrent assets and liabilities, net | (31,126) | (19,763) | (12,113) | (9,724) |
| Net cash provided by operating activities | 41,603 | 58,221 | 34,784 | 30,657 |
| Cash Flows from Investing Activities: | | | | |
| Net proceeds on sale of assets | 6,051 | 599 | — | 268 |
| Purchases of property, plant and equipment | (22,448) | (22,090) | (9,485) | (14,982) |
| Government grant proceeds related to capital expenditures | — | — | 903 | 582 |
| Acquisition of USA Industries, Inc., net of cash acquired of \$109 | (40,070) | — | — | — |
| Net cash used in investing activities | (56,467) | (21,491) | (8,582) | (14,132) |
| Cash Flows from Financing Activities: | | | | |
| Change in short-term debt | 5,466 | (6,685) | (4,593) | (1,145) |
| Proceeds from borrowings on Asset-Based Revolving Credit Facility | 115,772 | — | — | — |
| Payments made on Asset-Based Revolving Credit Facility | (115,772) | — | — | — |
| Proceeds from issuance of long-term debt | — | 299,250 | — | — |
| Payments made on long-term debt, including capital leases | (3,425) | (290,861) | (1,658) | (8,745) |
| Purchase of and distributions to noncontrolling interest | — | (21,771) | — | — |
| Purchase of treasury stock | (2,505) | (1,248) | (206) | (23) |
| Dividend payments on common stock | (12,851) | (12,669) | (6,162) | (3,064) |
| Debt issuance costs | (1,001) | (3,476) | — | — |
| Parent company net investment | 361 | 1,946 | 334 | — |
| Other | 1,142 | 428 | (422) | 565 |
| Net cash used in financing activities | (12,813) | (35,086) | (12,707) | (12,412) |
| Effect of exchange rate changes on cash and cash equivalents | (2,322) | 1,507 | 2,778 | (337) |
| Net (decrease) increase in cash and cash equivalents | (29,999) | 3,151 | 16,273 | 3,776 |
| Cash and cash equivalents at beginning of period | 114,884 | 111,733 | 95,460 | 91,684 |
| Cash and cash equivalents at end of period | \$ 84,885 | \$ 114,884 | \$ 111,733 | \$ 95,460 |
| Supplemental information: | | | | |
| Noncash investing and financing activities | | | | |
| Purchases of property, plant and equipment in accounts payable | \$ 4,816 | \$ 3,851 | \$ 2,338 | \$ 2,501 |
| Purchases of property, plant and equipment with capital lease | \$ 573 | \$ 56 | \$ 939 | \$ — |

See accompanying notes to financial statements.

Remy International, Inc.
Consolidated statements of changes in stockholders' equity (continued)

| | Successor | | | | Total Remy International, Inc. stockholders' equity | Non-controlling interest |
|---|--------------|----------------------------|---------------------------|---|---|--------------------------|
| | Common stock | Additional paid-in-capital | Parent company investment | Accumulated other comprehensive income (loss) | | |
| Balances at August 15, 2012 | \$ — | \$ — | \$ 562,201 | \$ — | \$ 562,201 | \$ 37,647 |
| Net income | | | 8,404 | | 8,404 | 1,112 |
| Less net income attributable to noncontrolling interest | | | (1,112) | | (1,112) | |
| Foreign currency translation | | | | 5,790 | 5,790 | 81 |
| Unrealized gains on derivative instruments, net of tax | | | | 2,523 | 2,523 | |
| Defined benefit plans, net of tax | | | | 1,563 | 1,563 | |
| Total comprehensive income | | | | | 17,168 | 1,193 |
| Purchase of treasury stock | | | (206) | | (206) | |
| Reclassification of restricted stock award to liability award | | | (91) | | (91) | |
| Stock-based compensation | | | 2,799 | | 2,799 | |
| Common stock dividends | | | (3,187) | | (3,187) | |
| Net transfers from parent company | | | 334 | | 334 | |
| Balances at December 31, 2012 | — | — | 569,142 | 9,876 | 579,018 | 38,840 |
| Net income | | | 15,804 | | 15,804 | 659 |
| Less net income attributable to noncontrolling interest | | | (659) | | (659) | |
| Foreign currency translation | | | | 3,650 | 3,650 | 200 |
| Unrealized losses on derivative instruments, net of tax | | | | (659) | (659) | |
| Defined benefit plans, net of tax | | | | 6,303 | 6,303 | |
| Total comprehensive income | | | | | 24,439 | 859 |
| Purchase of treasury stock | | | (1,248) | | (1,248) | |
| Reclassification of restricted stock award to liability award | | | (1,026) | | (1,026) | |
| Stock-based compensation | | | 6,561 | | 6,561 | |
| Excess tax benefits from stock-based compensation | | | 428 | | 428 | |
| Common stock dividends | | | (12,760) | | (12,760) | |
| Purchase of and distributions to noncontrolling interest | | | 18,230 | | 18,230 | (39,699) |
| Net transfers from parent company | | | 1,946 | | 1,946 | |
| Balances at December 31, 2013 | — | — | 596,418 | 19,170 | 615,588 | — |
| Net income | | | 6,073 | | 6,073 | |
| Foreign currency translation | | | | (7,851) | (7,851) | |
| Unrealized losses on derivative instruments, net of tax | | | | (8,652) | (8,652) | |
| Defined benefit plans, net of tax | | | | (12,050) | (12,050) | |
| Total comprehensive income | | | | | (22,480) | — |
| Purchase of treasury stock | | | (2,505) | | (2,505) | |
| Reclassification of restricted stock award to liability award | | | (66) | | (66) | |
| Stock-based compensation | | | 4,265 | | 4,265 | |
| Excess tax benefits from stock-based compensation | | | 1,142 | | 1,142 | |
| Common stock dividends | | | (12,693) | | (12,693) | |
| Net transfers from parent company | | | 2,996 | | 2,996 | |
| Reclassification of net parent investment | 3 | 595,627 | (595,630) | | — | |
| Balances at December 31, 2014 | \$ 3 | \$ 595,627 | \$ — | \$ (9,383) | \$ 586,247 | \$ — |

See accompanying notes to financial statements.