



**HILITE**<sup>®</sup>  
INTERNATIONAL

Press Release

29 May 2014

## **Hilite International accelerates global growth prospects with new owner AVICEM**

**Hilite International, a leading global supplier of highly engineered automotive engine and transmission components, will continue its international growth strategy as part of AVIC Electromechanical Systems Co., Ltd. (AVICEM), a subsidiary of Aviation Industry Corporation of China (AVIC), a large state-owned enterprise in China and ranked 212 in Fortune 500. As announced today, 3i Group plc, hitherto majority shareholder of Hilite, divests the company to AVICEM in a transaction valuing Hilite at an enterprise value of approximately €473 million. The transaction enables Hilite to enter the next stage of its corporate development and global expansion within the worldwide network of AVICEM.**

Hilite is a technology leader in the fast-growing powertrain segment of the global automotive industry. The company's products improve fuel consumption, reduce emissions and enhance performance, thereby directly capitalising on these automotive megatrends which are driven by stricter legislation being enacted by governments globally.

Hilite has transformed significantly during 3i's ownership since 2011. The company refocused its strategy on its core business of highly-engineered products, invested over €100 million in R&D and capital expenditure, and leveraged 3i's global network to accelerate its expansion into China, the fastest growing automotive market in the world. While Hilite had hardly any exposure to the Chinese market in 2011, China is expected to contribute more than 15% to total sales in 2014.

As the new owner, AVICEM is committed to further support Hilite's successful development. Hilite gains the opportunity to further expand its reach and market its innovative products to the extensive customer base of AVICEM in China and globally. Further, Hilite will expand AVICEM's European and North American footprint, and strengthen its automotive business with unique technology and expertise. Within the AVICEM group, Hilite will operate as an independent entity. The headquarters of the company will remain in Marktheidenfeld and no structural changes are planned.

Karl Hammer, CEO of Hilite commented: "In what has been essentially the most profound transformation in our corporate history, 3i has been an ideal partner to leverage the vast opportunities that result out of the global megatrends fuel efficiency and emission reduction. Together with AVICEM, we will continue our momentum, building a sustainable foundation for further growth. AVICEM and Hilite are a perfect fit. We complete their existing powertrain portfolio with best-in-class technology and

expertise available, and get superior access to Asian markets and to the customer base of one of the fastest growing supplier networks worldwide.”

Mr. Jian Wang, CEO of AVICEM, is looking forward to welcoming Hilite as a member of AVICEM: “we are very excited to become the new shareholder of Hilite, a leader in the fuel efficiency and emission reduction technology. We believe this acquisition will further strengthen AVICEM’s leading position in the powertrain technology applied to core systems of vehicle/vessel, enable us to become a leader in fuel efficiency and emission reduction and play an active and positive role to the global environment.”

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### **About Hilite International**

Hilite International is a global supplier of leading automotive system solutions. Its innovative and well-engineered engine, transmission and emission control products are used to improve fuel efficiency and reduce emissions for passenger cars and commercial vehicles. Headquartered in Marktheidenfeld, Germany, Hilite has around 1,370 employees at eight locations in Europe, North America and Asia and generated revenues of around € 389 million in 2013. Around the globe, Hilite is a reliable and close partner to its customers which include the leading international car and truck manufacturers. Its product segments are Variable Valve Timing (VVT) and Double Clutch Transmissions.

[www.hilite.com](http://www.hilite.com)

### **About AVICEM**

AVIC Electromechanical Systems Co. Limited (“AVICEM”) is an industrial conglomerate based in Beijing, wholly owned by Aviation Industry Corporation of China (a large enterprise in China, a Fortune 500 company). AVICEM’s business mainly focuses on aviation electromechanic products, special purpose equipment & key systems for vehicle / carrier, refrigeration & medical equipment and electric equipment. 2014 revenue is expected to reach EUR 5.0bn.

AVICEM has been committed to strengthen the international cooperation over the years. It is a supplier of Boeing and Airbus, and maintains a close cooperation relationship with leading international enterprises including UTC, Pike, MOOG, Honeywell, etc. In the special purpose equipment & vehicle /carrier core systems segment, AVICEM is a major supplier to leading international OEMs including BMW, VW, Audi, Toyota, Ford, GM, Fiat, PSA, Nissan, etc.. It also supplies leading Chinese OEMs including the six major OEMs of FAW, Dongfeng, SAIC, GAC, BAIC, Chang'an, and Great Wall Motors, Chery, Geely, JAC, etc.

### **About 3i**

3i is a leading international investment manager focused on mid-market Private Equity, Infrastructure and Debt Management across Europe, North America and Asia. For further information, please visit: [www.3i.com](http://www.3i.com).