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Investors and Lenders Meeting

Pendleton, Indiana Headquarters

May 13, 2008



Forward Looking Information

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The financial information is disclosed for informational purposes only and should not be relied upon for any other purposes and is qualified in its entirety by reference to other public information and certain Risk Factors referenced in the Solicitation and Disclosure Statement dated August 31, 2007 ("Disclosure Statement").

The Company is presenting the information as of May 13, 2008 and is not obligated to modify, update or revise any information disclosed thereafter.

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- Those Risk Factors as set forth in the Disclosure Statement which are hereby incorporated by reference;
- The Company's ability to generate cash to make debt service payments which may reduce the availability of the cash flow to fund working capital, capital expenditures, R&D efforts and other programs;
- The Company's competitive position compared to its competitors because it is highly leveraged;
- The Company's ability to respond to difficult industry operating conditions, including its ability to realize cost savings and operational improvements as planned;
- The Company's ability to deal with decreased demand for its products caused by unfavorable financial markets, oil prices, strikes and other general economic conditions;
- Existing conditions in the auto industry which are affected by many macro economic factors including fuel prices, interest rates, consumer confidence, currency fluctuations, regulatory requirements and trade agreements. The Company is heavily dependent upon certain commodities, including steel, rare earth magnets, and copper which have risen in price significantly and may require it to absorb cost increases which negatively impact future financial results;
- Other factors that could cause the Company's actual results to differ materially from the results referred to in the forward-looking statements.

The Company undertakes no obligation to publicly update or revise forward-looking statements to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events, except as required by law.



Business Overview

John Weber
Chief Executive Officer

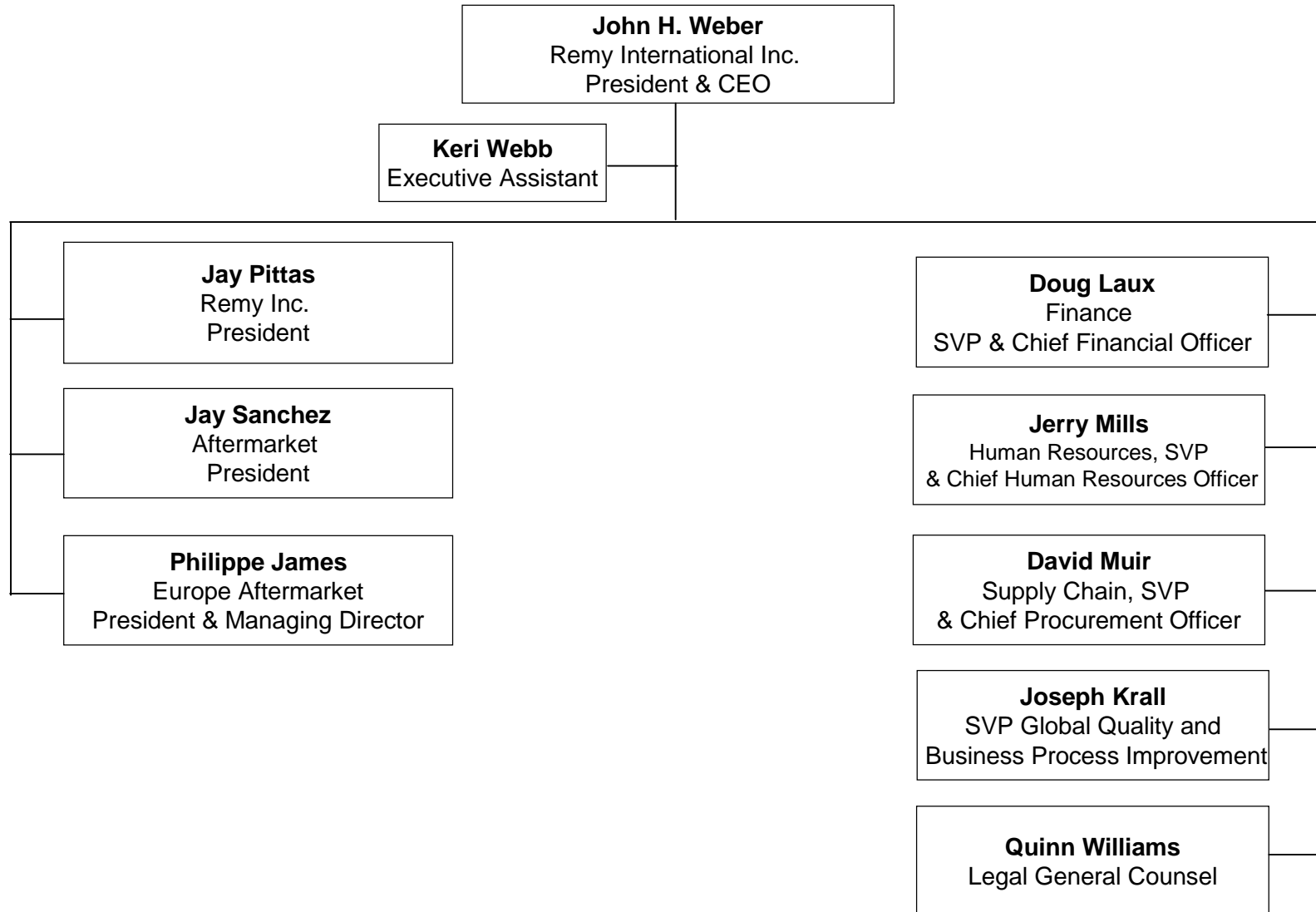


Business Overview

- **Organization – Senior Leadership Team**
- **Remy – Vision Statement**
- **Business Summary**
- **Prepackaged Reorganization and Emergence**
- **Focusing the Business**
- **Products/Markets**



Business Overview - Organization – Senior Management



Entirely new team of experienced business leaders



Remy Vision Statement

Remy International, Inc. will provide superior value as a global supplier of transportation rotating electric products featuring innovative eco-friendly technologies. We will build strong partnerships with our customers and other stakeholders, and we will deliver on our commitments with flawless execution, and will be recognized for our industry leadership.

On the path to making our vision a reality



Remy International – Business Summary

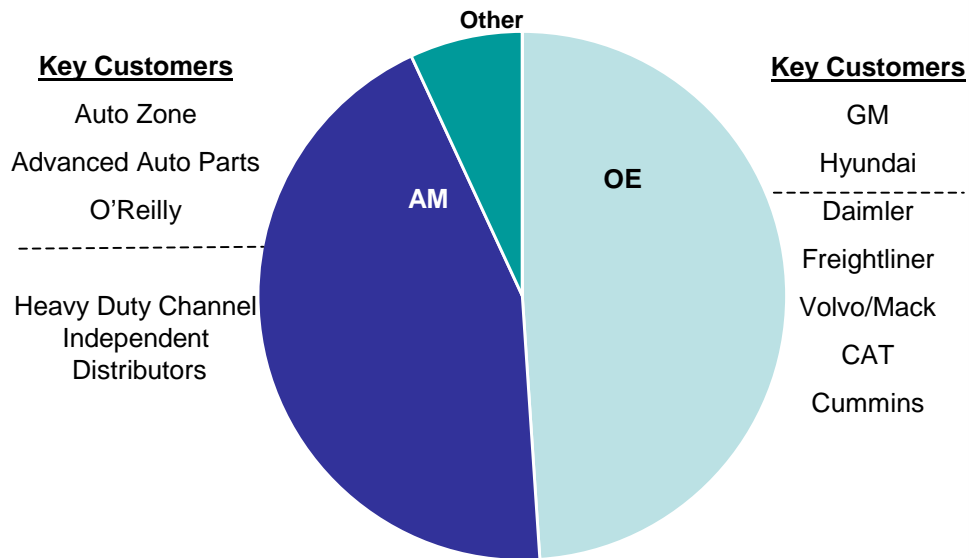
- Starters & Alternators
- Light Duty (Auto) & Heavy Duty Markets
- Original Equipment (OE) & Aftermarket Products
- Hybrid Motors

\$1.2 Billion Global Company



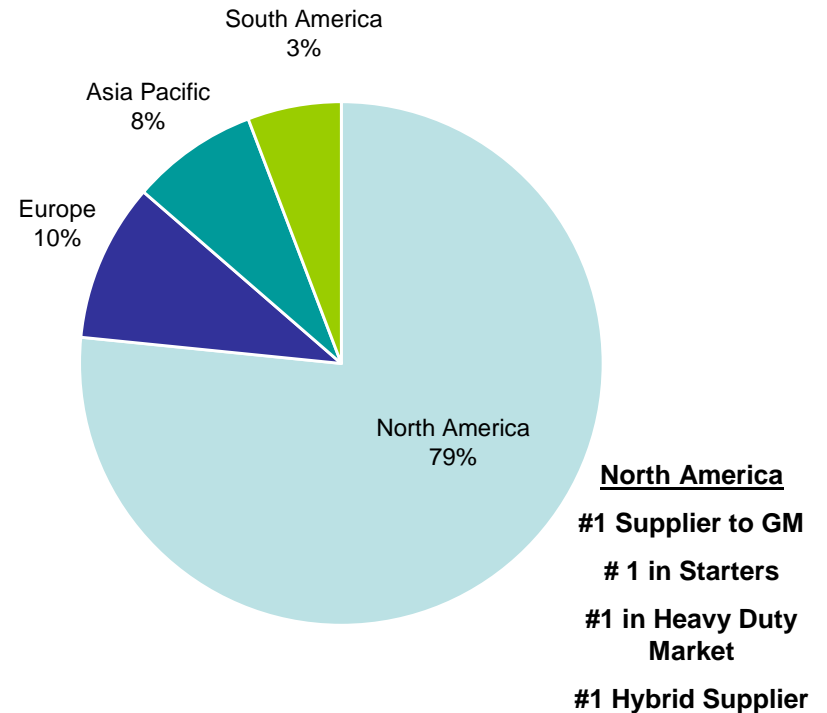
Remy International – Business Overview

Customers / Products



Balanced portfolio

Regions



Global Scope; North American market leader



Remy International – Business Plan Summary

Strategy

- Price or Exit Low Margin business →
- Improve Competitive Cost Position →
- Move to Higher Value Products →

2008 Plan Drivers

- New GM Contract
- Higher Heavy Duty Prices
- Global Savings Plan
- Site Consolidations
- Launch Hybrid Products
- Revive Heavy Duty

Balance sheet repaired...now operational improvement and strategic reposition



Remy International – Business Plan Summary

Key Challenges / Issues

➤ Operational Excellence

- Key Processes
- Financial Systems

➤ Sustainable Advantage

- Commodity products
- Hybrid
- Aftermarket Brand Equity

Financials

	(Discl. Stmt)			2008 v. 2007
millions	2006	2007	2008	% Chg
Net Sales	1197.4	1133.1	1222.5	7.9%
EBITDAR	14.9	53.9	95.9	77.9%
Pct of Sales	1.2%	4.8%	7.8%	

Continuing Operations (excluding Knopf)

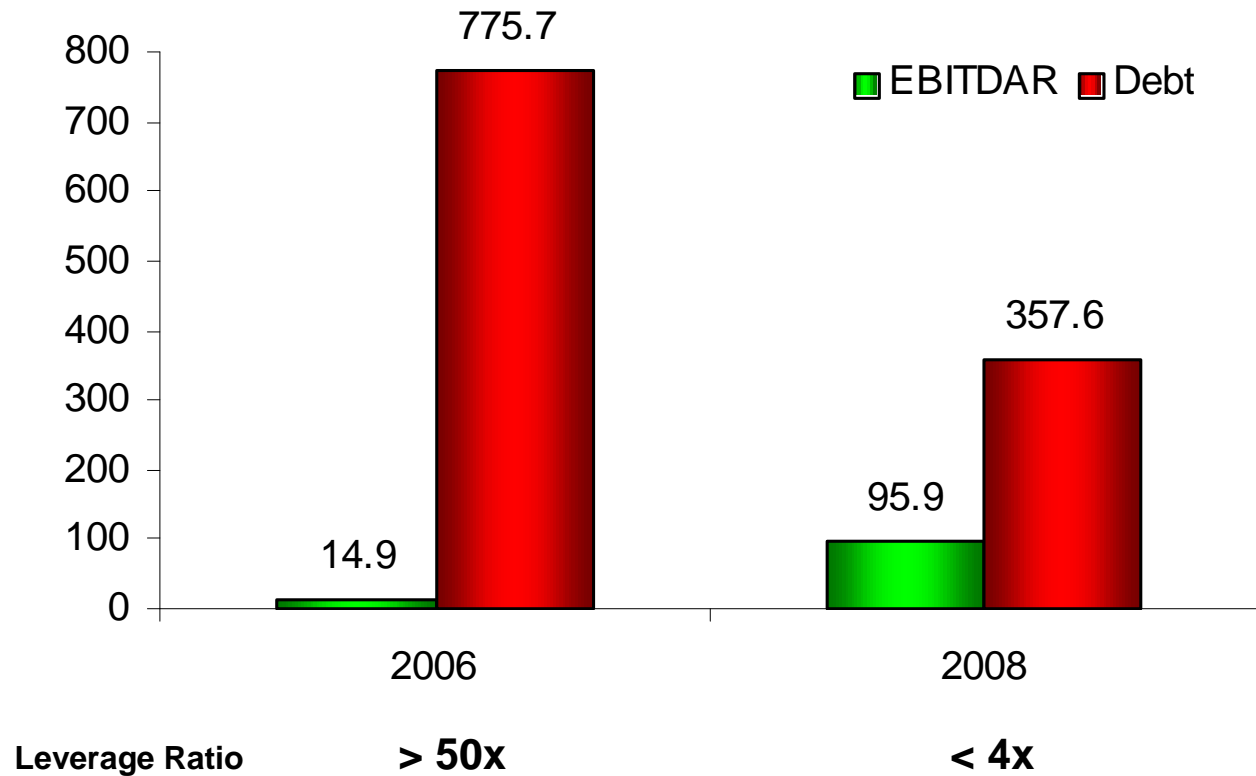
\$40M gain in EBITDAR two years in a row



Business Overview - Prepackaged Reorganization and Emergence

➤ Debt Reduction

In millions



* Disclosure Statement Figures

Move from “nosebleed” levels of leverage to sustainability....still costly capital structure



General Motors – Impact to Plan

➤ **Strike (American Axle)**

- Affecting trucks and SUV volume and cars as well
- GM Inventory at relatively high levels

➤ **Action**

- Idled 2 final assembly cells in Mexico
- Utilized slow down to complete Mexico 3-2 plant consolidation ahead of schedule
- Focus on HD backlog

➤ **Addressing additional overhead opportunities**

**Mix helps mitigate significant sales loss, but no end in sight
....and now GM Malibu and Cross-over Plants**



Currency and Metals

Risk	Component
-	➤ Direct Currency - Significantly Hedged
(\$2.6M)	➤ Collateral Currency – Supplier reaction despite USD Contracts
(\$10.5)	➤ Metals Exposure
\$3.0M	➤ Recovery – though Limited by Contracted Metals Adjustment Lags

\$10M net risk...driving to close



Currency Impacts

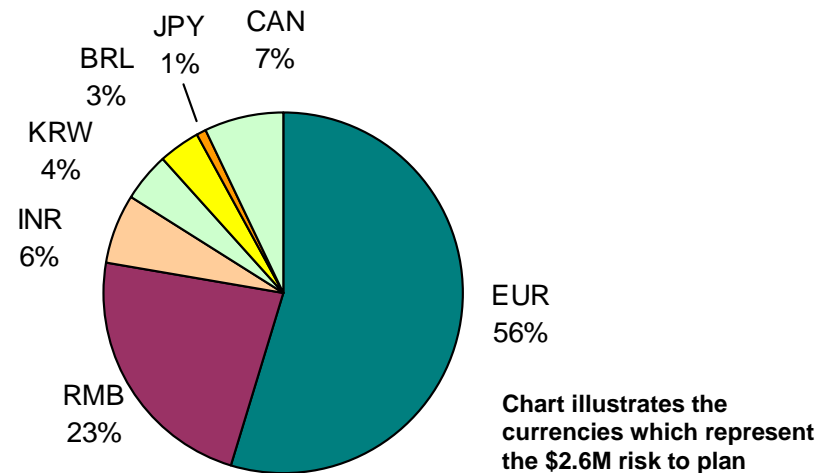
DIRECT IMPACT

- **Korean Won** – Hedged forecasted intercompany sales at 980 won/USD versus plan rate of 938 won/USD
- **Mexican Peso** – Minimal exposure; natural hedge as costs and sales are primarily in USD
- **Pound Sterling** – GBP weakened to Euro; negative impact to European Plan
- **Euro** – Positive impact to total company results as Euro results translated to USD

Forward hedge contracts very successful – \$0.5M Upside

COLLATERAL IMPACT

- **RMB**
 - a significant percent of the supply base is outside the US
- **Euro**
 - Contracts denominated in USD
 - Supplier's costs are in their local currencies
 - Suppliers refuse to ship unless we accept price increase



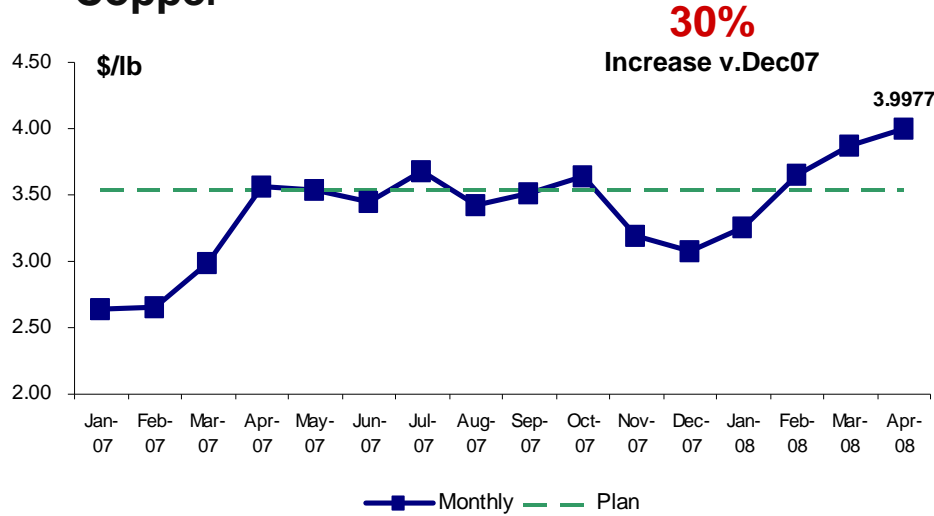
Indirect \$2.6M* Risk to Plan is difficult to mitigate

*as of Apr08

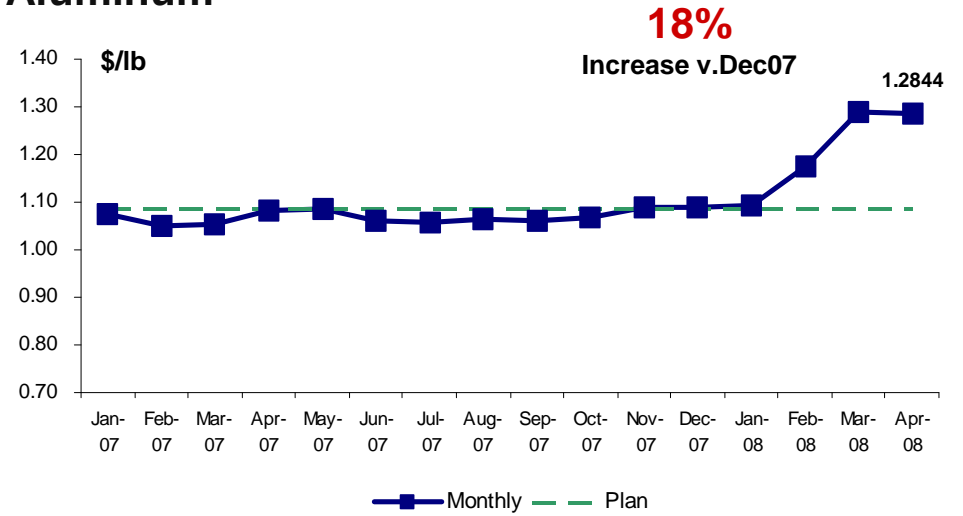


Commodities - Metals

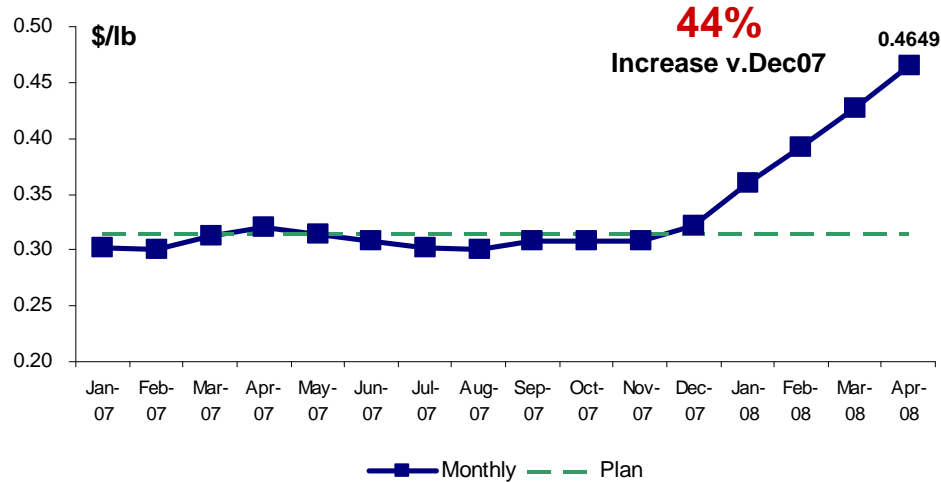
Copper



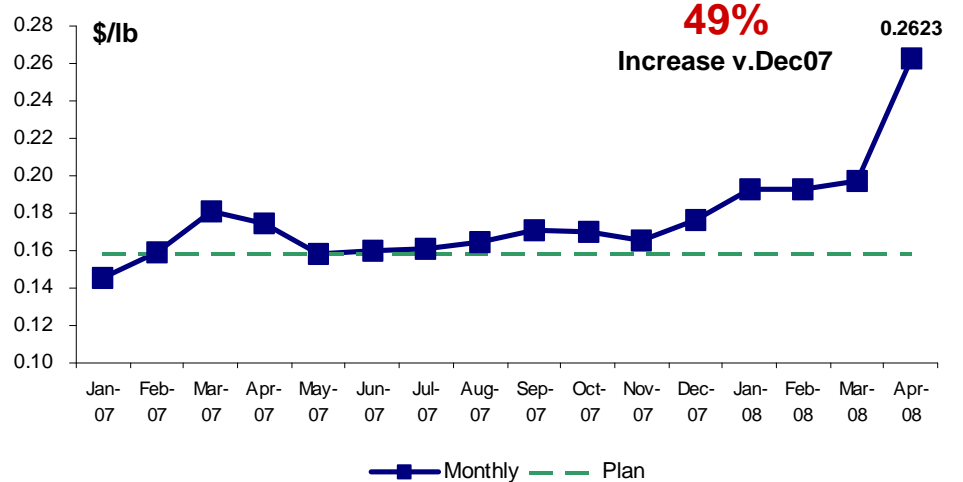
Aluminum



Steel (Cold-Rolled)



Steel (Scrap)



Commodities explosion across the board



Interest Rates

➤ Interest Rate Swap Transactions

- Required to hedge at least 50% of 1st and 2nd Lien Notes per Credit Agreement
- Due to low interest rate environment, hedged \$200M of 1st and 2nd Lien Notes
- Executed 2 Fixed for Floating Rate Transactions
 - Swapped \$100M for a 3.38% fixed rate 3 year term
 - Swapped \$100M for a 3.34% cap and 2.91% floor rate 3 year term
- Projected Interest Cost saving:

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Disclosure Statement	\$48.0	\$45.0	\$44.0	\$41.9
With Hedged 1st & 2nd Lien	\$41.1	\$41.3	\$41.3	\$41.3
Savings	\$6.9	\$3.7	\$2.7	\$0.6

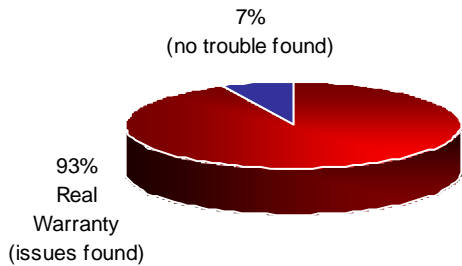
Significant cash cost savings vs. Disclosure Statement – No EBITDAR impact



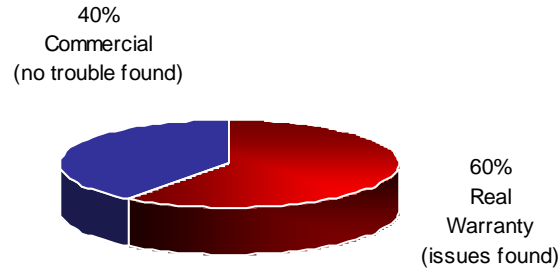
Warranty - 2008

Annual Cash Warranty = \$49M

✓ **\$16M Heavy Duty**



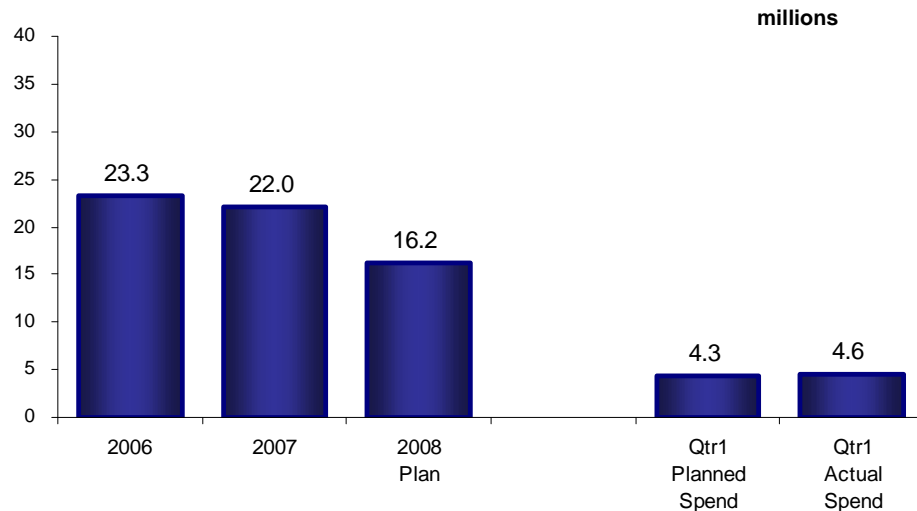
✓ **\$33M Aftermarket**



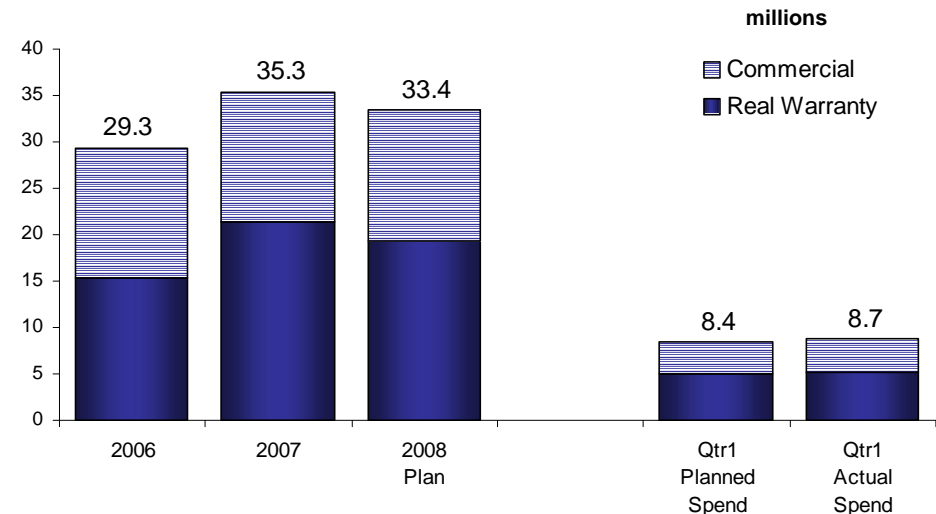
Improving the Process

- ✓ Project Management approach
- ✓ Early detection and correction
- ✓ Deploy Six Sigma methodology
- ✓ Intensify Reliability and Validation Engineering

Heavy Duty Warranty Spend



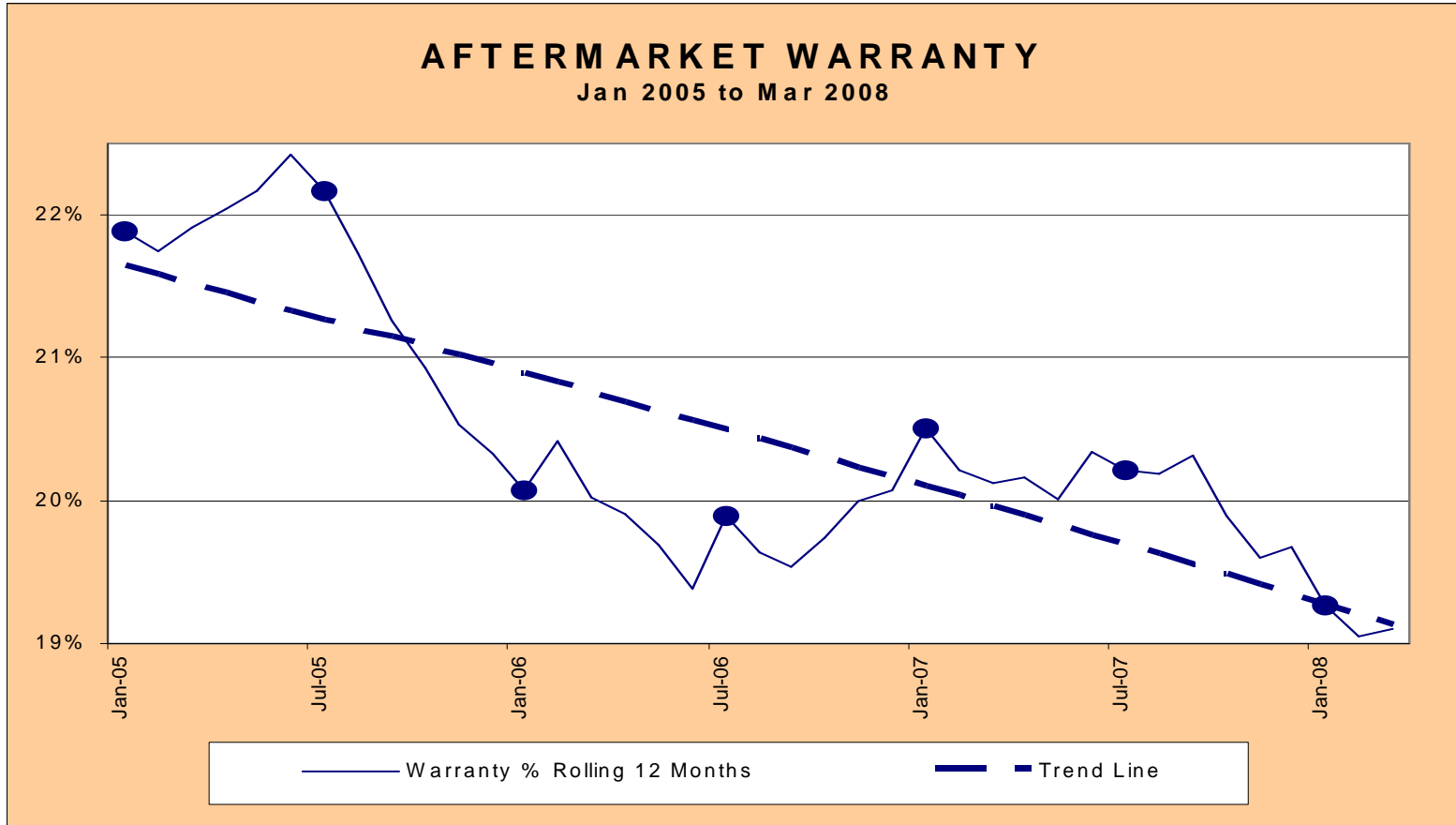
Aftermarket Warranty Spend



Excellent progress on warranty we “control” but limited success so far with commercial terms



Warranty - Aftermarket



Good progress against tough adversary



Business Overview – Focusing the Business

➤ **Finalized Diesel Sale**

- February 2007
- Cash Proceeds of \$151M
- Eliminates non-core business
- Avoid the Navistar/Ford fight

➤ **Sold Heavy Duty Reman assets to Caterpillar**

- June 2007
- Cash Proceeds of \$14M
- Significant cost reduction
- Remy retains market control

➤ **Sold Knopf business**

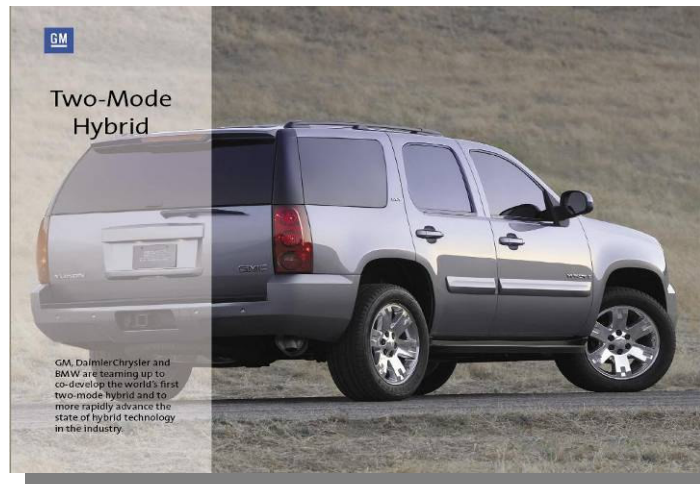
- December 2007
- Cash Proceeds of \$17M
- Eliminates non-core business
- Avoided “uncontrollable” business

Still need to shed Locomotive

Hybrids

➤ EP8

- Hybrid drive system used in GM SUVs
- GM demand is strong
- 2nd Manufacturing line will begin producing Qtr3 - accelerating
- Commodity cost pressure - magnets
- Scrap and yields still an issue
- Proprietary/Patented Technology



Technology very powerful and gaining acceptance....continued fight for profitability

Hybrids

➤ Daimler Project (Hungary)

- Receiving and installing equipment in Hungary
- First production units to be delivered at end of May08
- High-performance application
- Proprietary/Patented Technology
- Commercial issues remain with contract



Skyrocketing Euro causing contractual re-negotiations



Business Overview – Products/Markets

➤ Heavy Duty New Product Initiatives

- **Alternators: High Output**
 - Provide next generation for existing products
 - New market introductions using Remy patented technology – high output, high efficiency - low volume/high margin
 - Addressing high output, no-idle 2007 emission requirement and positioning for 2010 emission standard change
 - Advantage gained from Light Duty product – High efficiency/High Temperature capabilities

- **Starters: Compact, High-Output**
 - Provide next generation for existing straight-drive products
 - Designed to save cost (material content) and include features (patented technology) that address customer's packaging/space requirements



Regain Remy market leadership

➤ Alternators: Low Noise

- High Efficiency, Low noise product technology licensed from Visteon
- Awarded Hyundai North America application
- Development agreement with Japanese OEM
- Designed to save cost (material content) in order to improve automaker's ability to meet CAFÉ requirements
- Moving toward 85% of North American applications
 - Toyota and Chrysler using this technology (Denso) on 100% of applications
- Patented product technology
- Market views as value-added (content and weight reduction)

➤ Stop-Start Technology

- European market is driving this technology
- Bosch is market leader; Valeo a close second
- Frequent starts/durability features make technology of interest to the Heavy Duty market



Even in basic products – technology evolutions



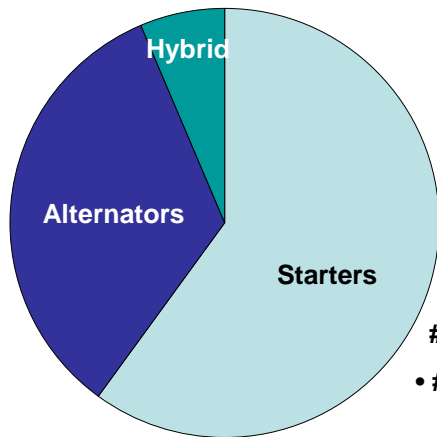
OE Operations Overview

Jay Pittas
President



OE Operations – Business Overview

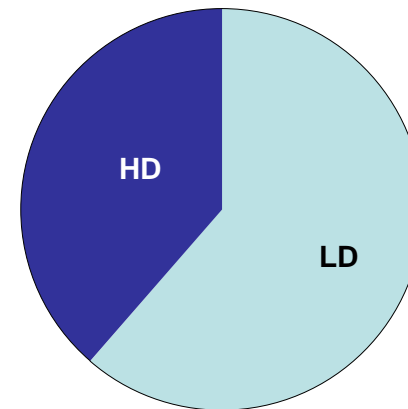
Products



- #3 in North America
- #6 Globally

- #1 in North America
- #4 Globally

Markets



Key Customers

- Freightliner
- International
- Caterpillar
- Cummins

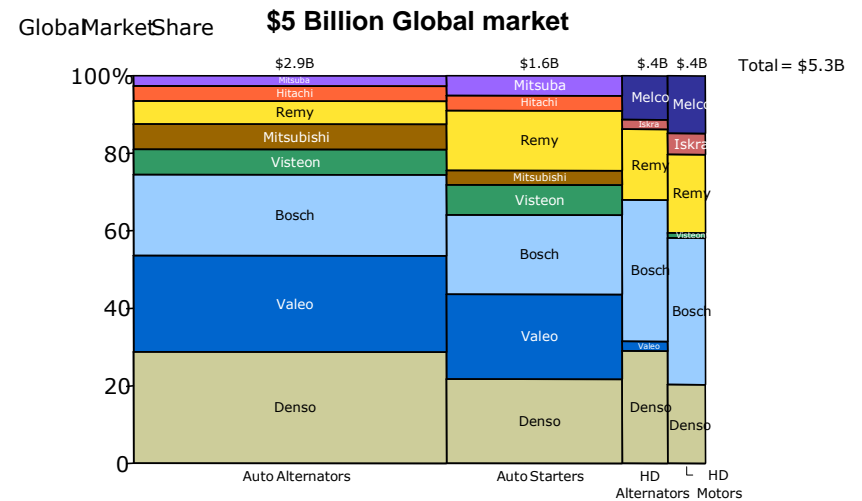
Key Customers

- GM
- Hyundai
- Daimler

Locations

- Anderson, IN – HQ & Engineering
- Mexico – N. American Manufacturing site
- Brazil – S. American Manufacturing site
- Hungary – Primary European Mfg site
- Korea – Global Mfg Site
- China – Local Mfg site

Competition





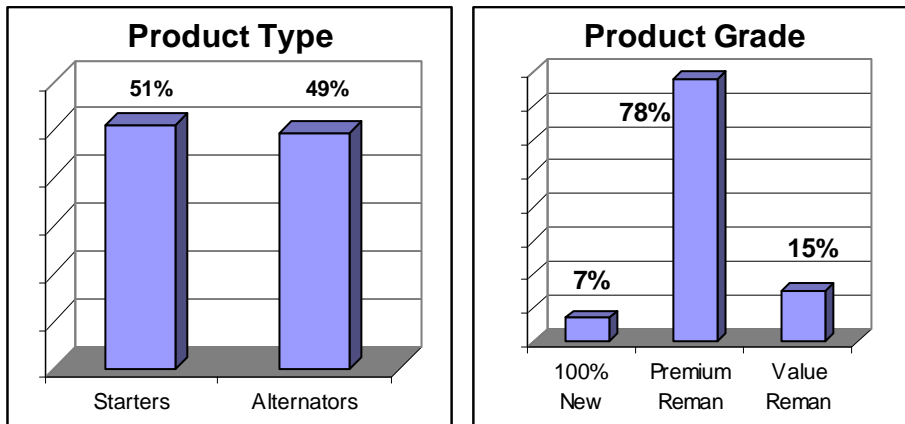
Electrical Aftermarket Overview

**John Weber/
Steve Gudgel**



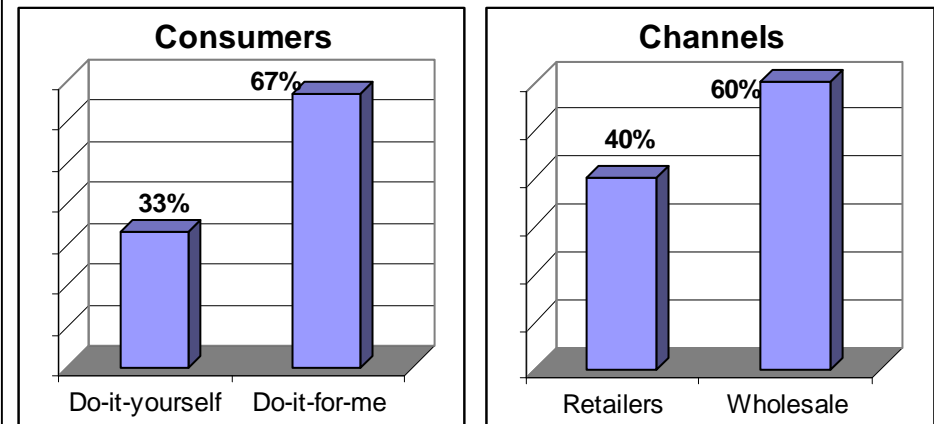
Electrical Aftermarket – Business Overview

Products



Parts fit light duty passenger cars, vans and trucks.

Markets



2-step, 3-step & 4-step distribution.

- Commanding in retail sector (70%)
- New focus on growing our Wholesale market share
- Sales mix shifting to premium products

Good market position & growing



Electrical Aftermarket – Business Overview

Customer Recognition

- AutoZone - Extra Miler Award (Top Supplier)
9 out of 10 years
- *Preferred supplier since 1982*
- Advance - Vendor of the Year for 4 years
- *Preferred supplier since 1995*
- O'Reilly - Strong contractual position through 2013

Recognized as the industry leader



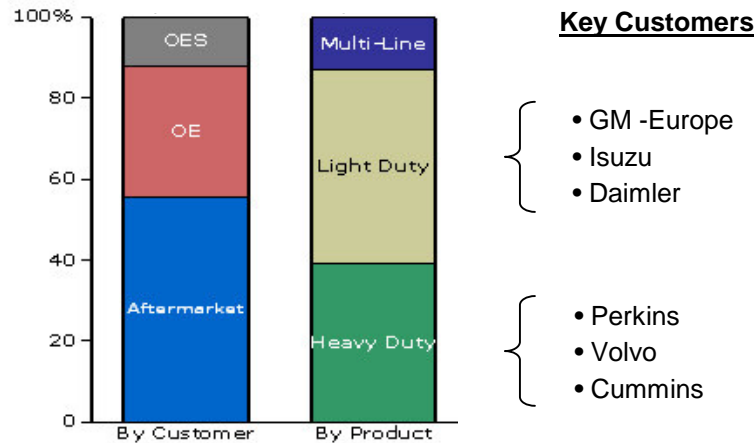
Europe Overview

John Weber



Europe – Business Overview

Markets



Competition/Customers

OE Starters & Alternators

- Bosch and Valeo are dominant competitors
- Remy competes as a viable third source
- Competition from Chinese sources increasing

Aftermarket Products

- Bosch and Valeo; others fragmented
- Customers are centralizing but still fragmented
- Remy competes with Branded Products & Remanufactured Products

Customers

- GM Opel; Daimler; Fiat; Cummins, Ferraris Piston; IFA

Cost Issues/Actions

Reduce Operating Costs/Consolidate Sites

Reduce Outsourcing of Finished Products

European Footprint Reduction

Opportunities

Improve product Mix and Revenue:

- Increase higher margin AM sales
- Daimler Hybrid
- Perkins Shibura business

Re-launch Aftermarket: Establish superior customer value:

- Improve order fill rate and sales presence
- Further improve product quality

Get the cost out and shift the mix!



Locomotive Overview

John Weber



Locomotive – Business Overview

Summary

- Remanufacturing Business – Locomotive Engines
- Highly profitable Aftermarket business
- 1 Customer – Electro Motive Diesel

Market

- Locomotive Market is a Duopoly split between GE Rail and Electro Motive Diesel (EMD)
- Strong Demand for rail freight services
- Remy supplies products to EMD only
- EMD uses in-house production for the majority of its aftermarket parts

Status

- **Maximize Value**
 - Expand programs with EMD
 - Improve Productivity with “Smart salvage”
- **Divest Business – Non-Core Asset**



Summary

John Weber



Remy going forward

- **Focused on core business**
- **Capitalize on OE and Aftermarket market positions**
- **Engineering/Technology expertise**
- **Low-Cost manufacturing footprint**
- **Very strong brands – Remy, Delco-Remy**
- **Strengthened balance sheet**
- **New management team – Committed, Experienced, Motivated**
- **Manage and mitigate currency and commodity pressure**

All the ingredients for success in environment of horrendous headwinds



Position Summary – More Risks than Opportunities

➤ Risks

- Raw material/commodity price pressures
- Continued weak dollar
- Weak US auto market
- Competitive pricing dynamics

➤ Opportunities

- Hybrid application expansion
- Developing Markets
- New relationships for low-end product
- Expansion of Remy brands in consumer markets
- New channel penetration

More risks than opportunities



Future Reporting

Jim Steel
Vice President and Treasurer



Future Reporting

- The following will be posted to the Remy website:
 - Overview of today's Meeting Presentation – Investors & Lenders Meeting May 13, 2008
 - 2007 Annual Report
 - Financial Statements
 - Quarterly within 45 days of quarter-end
 - Annual within 105 days of year-end
 - Press Releases
- Quarterly conference call with shareholders and lenders to review Company's performance
- Can register for "E-mail Alerts" on Remy website, www.remyinc.com
- Investor Relation's contact:
 - Jim Steel
 - 765-778-6769
 - steel.james@remyinc.com

