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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): November 20, 2018

**TOWER INTERNATIONAL, INC.**  
(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other  
Jurisdiction of Incorporation)

**001-34903**  
(Commission  
File Number)

**27-3679414**  
(IRS Employer  
Identification No.)

17672 Laurel Park Drive North, Suite 400E, Livonia, Michigan 48152  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (248) 675-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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### **Item 1.01 Entry into a Material Definitive Agreement.**

On November 20, 2018, the registrant, Tower Automotive Holdings III Cooperatie U.A., Tower Automotive Holdings USA, LLC and Financière SNOF Dunois S.A. (the “Purchaser”) entered into a memorandum of understanding (the “MOU”). The parties have annexed to the MOU an unexecuted stock purchase agreement by and among the registrant, Tower Automotive Holdings III Cooperatie U.A., Tower Automotive Holdings USA, LLC and the Purchaser (the “SPA”).

The registrant announced the signing of the MOU in a press release disseminated on November 20, 2018. A copy of the press release is annexed hereto as Exhibit 99.1

#### *The MOU*

Under the terms of the MOU, the Purchaser is obligated to commence consultation with its European works council on or before November 28, 2018 with the goal of obtaining an opinion from the works council with respect to the transaction contemplated by the SPA by December 19, 2018. Within three business days after the date on which such opinion is obtained (or deemed to have been obtained in accordance with French law), the Purchaser will notify the registrant if the Purchaser desires to acquire the shares of the registrant’s subsidiary that owns the registrant’s European operations and assume certain related loans in accordance with the terms of the SPA. If, after such consultation and the receipt (or deemed receipt) of an opinion from the works council (regardless of whether the opinion is favorable, unfavorable or neutral), the Purchaser does not provide such notification, the Purchaser will be obligated to pay to the registrant the sum of EUR 12,750,000. If the Purchaser provides such notification and the registrant and its applicable subsidiaries do not execute the SPA within three business days after receiving the Purchaser’s notification, the registrant will be obligated to pay to the Purchaser the sum of EUR 12,750,000. In both of such cases, the parties shall not have any further liabilities under the MOU upon payment of such fees.

The MOU does not obligate the Purchaser to enter into the SPA. Likewise, as noted above, if the Purchaser provides the above-mentioned notification and the registrant and its subsidiaries do not execute the SPA, the Purchaser’s remedy under the MOU is limited to the receipt of EUR 12,750,000 from the registrant. The registrant currently expects to execute the SPA promptly after receiving the acceptance notification from the Purchaser.

#### *The SPA*

Under the terms of the unexecuted SPA:

(1) The Purchaser will purchase all of the stock of TA Holdings Europe B.V., an indirect wholly owned subsidiary of the registrant, and an intercompany loan, for a purchase price of EUR 255,000,000 on a cash free, debt free basis (determined as of December 31, 2018), subject to working capital and other customary adjustments (as of December 31, 2018) and a reduction to the extent that capital expenditures for the registrant’s European operations for calendar year 2018 are less than EUR 45,000,000. The formulation of the purchase price is designed to provide the Purchaser with the benefits, and subject the Purchaser to the detriments, of the operations of the registrant’s European business subsequent to December 31, 2018. As a result, the SPA provides for a further reduction in the purchase price in the event that enumerated transfers of value (referred to as “leakage”) were to occur between December 31, 2018 and the date of closing.

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(2) Approval of the transaction is subject to (i) the approval of the European Commission or, if applicable, each of the relevant national competition authorities in the Czech Republic, Germany, Poland and Slovakia and (ii) the absence of a material breach in any of the seller parties' fundamental representations (e.g., title, authority and absence of insolvency).

(3) For a period of 18 months after the consummation of the transaction, the registrant and its subsidiaries will be precluded from competing with the Purchaser in any of the countries in the European Union. However, during this period, the registrant is permitted to acquire any entity that is not headquartered in the European Union. The non-compete obligation would cease to apply in the event of a change in control of the registrant.

(4) At the closing of the transaction, certain of the registrant's subsidiaries or the registrant itself will be obligated to enter into information technology and engineering agreements providing for the subsidiaries to provide enumerated information technology services and engineering services on a post-closing transition services basis.

(5) The SPA provides for the registrant and its subsidiaries to make customary representations to the Purchaser, including representations regarding general corporate matters, due authorization, absence of insolvency, financial statements and other financial matters, compliance with law, employment matters, real property, litigation, taxes, material contracts and environmental matters.

(6) The SPA provides for indemnification by the registrant and its subsidiaries with respect to their representations, subject, in general, to customary minimum and maximum thresholds. However, with respect to the environmental representations, the SPA provides for a layering of responsibilities over the applicable minimum threshold: (i) the Purchaser and the seller parties (including the registrant) will share in the first EUR 5,000,000 of damages, (ii) for damages between EUR 5,000,000 and EUR 10,000,000, the seller parties will have exclusive responsibility and (iii) for damages in excess of EUR 10,000,000, the Purchaser will have exclusive responsibility.

(7) The SPA obligates the seller parties to comply with certain customary covenants between the signing of the SPA and the closing. These covenants are intended to assure that the registrant's European business is conducted in the ordinary course between the signing of the SPA and the closing.

(8) Each of the parties will have the right to terminate the SPA if the closing of the transaction is not consummated on or before June 30, 2019.

The parties expect to consummate the transaction during the first quarter of calendar 2019.

**Item 9.01. Financial Statements and Exhibits.**

(d) The following exhibit is filed with this report:

[Exhibit 99.1](#)     [Registrant's press release issued November 20, 2018.](#)

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TOWER INTERNATIONAL, INC.**

By: /s/ Jeffrey Kersten  
Name: Jeffrey Kersten  
Title: Chief Financial Officer

Dated: November 20, 2018

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EXHIBIT LIST

[Exhibit 99.1](#) [Registrant's press release issued November 20, 2018.](#)

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**FOR IMMEDIATE RELEASE**

**Tower Signs a Memorandum of Understanding to Sell its European Operations at an Accretive Value**

LIVONIA, Mich., Nov. 20, 2018 – Tower International, Inc. [NYSE: TOWR], a leading global manufacturer of engineered automotive structural metal components and assemblies, today announced it has signed a Memorandum of Understanding relating to the sale of all of its European Operations to Financière SNOP Dunois S.A. “FSD”, a privately owned French automotive supplier.

Tower’s European Operations include manufacturing facilities in Belgium, Czech Republic, Germany, Italy, Poland and Slovakia and offices in Germany and Italy. Financial results for full year 2018 are projected at revenue of \$650 million and Adjusted EBITDA of \$55 million. Before fees and other customary adjustments, the anticipated sale price represent an Enterprise Value of €255 million (\$298 million at \$1.17/Euro) representing an enterprise multiple of 5.4 times Adjusted EBITDA. This transaction multiple is significantly higher than the present multiple for Tower’s common stock, which Tower estimates was approximately 4.5 times based on yesterday’s closing price.

“This accretive transaction with FSD allows Tower to focus on a North American business with strong organic growth, profit margins and cash flow. It further strengthens Tower’s balance sheet and enhances Tower’s financial flexibility and accelerates Tower’s ability to invest in additional accretive growth, reduce leverage and/or return capital to Tower shareholders,” said CEO Jim Gouin. “FSD and Tower Europe’s operations are very complementary from a customer as well as geographic footprint. This combination will allow Tower’s assets and colleagues to be better utilized as part of this Pan-European entity.”

The memorandum of understanding signed by the parties together with an unsigned stock purchase agreement, would be the basis on which the parties pursue the signing of a definitive agreement in the next few weeks, once works council consultation has taken place. Completion of the divestiture is expected to take place during the first quarter of 2019 and is subject to approval of the applicable antitrust authorities and other customary conditions. Tower expects to recognize a book loss of approximately \$60 million related to the sale of the European operations. This one-time charge will include the reclassification of currency translation into earnings, other fair value adjustments and selling costs.

For this transaction, Rothschild & Co. served as Tower’s M&A advisor, Freshfields Bruckhaus Deringer LLP was Tower’s legal advisor, and De Brauw Blackstone Westbroek advised Tower on country specific legal matters. Tower also received advisory services from J.P. Morgan Securities LLC.

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### **Tower to Host Conference Call Today at 2 p.m. EST**

Tower will discuss this transaction and other related matters in a conference call at 2 p.m. EST today. Participants may listen to the audio portion of the conference call either through a live audio webcast on the Company's website or by telephone. The slide presentation and webcast can be accessed via the investor relations portion of Tower's website [www.towerinternational.com](http://www.towerinternational.com). To dial into the conference call, domestic callers should dial (866) 393-4576, international callers should dial (706) 679-1462. An audio recording of the call will be available approximately two hours after the completion of the call. To access this recording, please dial (855) 859-2056 (domestic) or (404) 537-3406 (international) and reference Conference I.D. #1976027. A webcast replay will also be available and may be accessed via Tower's website.

### **Non-GAAP Financial Measures**

This press release includes the following non-GAAP financial measures: "Adjusted EBITDA", "Adjusted EBITDA Margin", "Free Cash Flow", and "Net Debt." We define Adjusted EBITDA as net income / (loss) before interest, taxes, depreciation, amortization, restructuring items and other adjustments described in the reconciliations provided in this presentation. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenues. Free Cash Flow is defined as cash provided by operating activities less cash disbursed for purchases of property, plant and equipment. Net Debt represents total debt less cash and cash equivalents. We use Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, and Net Debt as supplements to information provided in accordance with generally accepted accounting principles ("GAAP") in evaluating our business and they are included in this presentation because they are principal factors upon which our management assesses performance. The non-GAAP measures presented above are not measures of performance under GAAP. These measures should not be considered as alternatives for the most directly comparable financial measures calculated in accordance with GAAP. Other companies in our industry may define these non-GAAP measures differently than we do and, as a result, these non-GAAP measures may not be comparable to similarly titled measures used by other companies in our industry; and certain of our non-GAAP financial measures exclude financial information that some may consider important in evaluating our performance. Given the inherent uncertainty regarding mark to market adjustments of financial instruments, fair value adjustments to our pension plan, potential gain or loss on our discontinued operations, potential restructuring expenses, and expenses related to our long-term incentive compensation programs in any future period, a quantitative reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is not feasible. Consequently, any attempt to disclose such reconciliations would imply a degree of precision that could be confusing or misleading to investors. The magnitude of these items, however, may be significant.

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## **Forward-Looking Statements and Risk Factors**

This press release contains statements which constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding the completion of the pending transactions in this presentation, the consequences of that transaction, projected enterprise value, anticipated stock valuation, positioning, projected truck revenues and the outlook for revenue, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, net new business, net debt and leverage. The forward-looking statements can be identified by words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “project,” “target,” and other similar expressions. Forward-looking statements are made as of the date of this presentation and are based upon management’s current expectations and beliefs concerning future developments and their potential effects on us. Such forward-looking statements are not guarantees of future performance. The following important factors, as well as risk factors described in our reports filed with the SEC, could cause our actual results to differ materially from estimates or expectations reflected in such forward-looking statements:

- global automobile production volumes;
- the financial condition of our customers and suppliers;
- our ability to make scheduled payments of principal or interest on our indebtedness and comply with the covenants and restrictions contained in the instruments governing our indebtedness;
- our ability to refinance our indebtedness;
- risks associated with our non-U.S. operations, including foreign exchange risks and economic uncertainty in some regions;
- any increase in the expense and funding requirements of our pension and other postretirement benefits;
- our customers’ ability to obtain equity and debt financing for their businesses;
- our dependence on our largest customers;
- pricing pressure from our customers;
- changes to U.S. trade and tariff policies and the reaction of other countries thereto;
- work stoppages or other labor issues affecting us or our customers or suppliers;
- our ability to integrate acquired businesses;
- our ability to take advantage of emerging secular trends,
- risks associated with business divestitures;
- costs or liabilities relating to environmental and safety regulations;
- our ability to close the pending transaction in accordance with anticipated terms; and
- regulatory and other conditions that must be satisfied or, in certain circumstances, waived in order to consummate the pending transaction.

We do not assume any obligation to update or revise the forward-looking statements contained in this press release.

### **Contact:**

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