



THE KEYSTONE GROUP

ATLANTA • CHICAGO • LOS ANGELES

Restructuring & Turnaround Solutions

– *Office of the CFO*



CASE STUDY: INTERMODAL LOGISTICS



Reduced leverage from

>13x to 3x

by stabilizing operations and providing clarity on performance to support a recapitalization restructuring

Situation: The Company is a \$150M revenue intermodal logistics service provider. Keystone was initially retained to develop a plan to improve liquidity and profitability. Financial issues led to Keystone being named Interim CFO to restate financials, restructure the department, restart the audit, and facilitate a recapitalization processes.

Impact: A focus on People, Process, and Systems improvements led to improved analysis and insights into the business. This facilitated a path to eliminate unprofitable locations, reduce overhead and restart the audit.

Additionally, Keystone provided strategic and transactional support (internal QOE support) which led to new debt and equity capital through a refinance/recap to reduce leverage from >13x to 3x.

CASE STUDY: METAL FABRICATOR



Increased EBITDA

>8x

by improving throughput, labor
efficiency and increasing inventory turns

Situation: The Company is a \$130M revenue, sponsor-owned, metal fabricator, with an asset-based and mezzanine finance structure. Inventory adjustments and project margin issues exposed the need for EBITDA improvements and improved processes.

Impact: Keystone took on roles as Interim CFO and CEO to drive operational improvements. Direct labor efficiency increased by 12%, DIOH decreased 17%, and management relations stabilized. This drove an EBITDA and liquidity increase of >8x.

The business improvements supported a successful debt refinancing to provide incremental capital for growth.

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A DIFFERENT KIND OF FIRM

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