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REV Group Inc

REV Group to exit school and transit bus manufacturing and to pay a special dividend

Update

On January 29th, 2024 REV Group, Inc. (NYSE: REVG), a manufacturer of industry-leading specialty vehicle brands, announced a series of strategic actions aimed at optimizing its product portfolio and balance sheet.

Effective January 26th, 2024, the company has completed the sale of its school bus business, Collins Bus Corporation (“Collins”), to Forest River Bus, LLC for a purchase price of \$303.0 million in cash, subject to certain customary adjustments.

In addition to the sale of Collins, REV Group announced it will be exiting transit bus manufacturing by winding down operations at its Eldorado National-California (“ENC”) business, which is expected to be substantially completed by the end of fiscal year 2024, once existing customer orders are completed and delivered.

REV Group expects to generate at least \$250 million in net cash proceeds from these strategic actions.

The net proceeds will be used to return approximately \$180 million of cash to shareholders in the form of a special cash dividend in the amount of \$3.00 per share of common stock, payable on February 16th, 2024, to shareholders of record on February 9th, 2024, with the remainder used to pay down debt under its ABL credit facility.

REV Group will be reorganized into two reporting segments beginning with its first quarter fiscal 2024 results.

The remaining Commercial segment business will be combined with the Fire & Emergency businesses in a new segment named Specialty Vehicles, led by Mike Virnig, the current fire group president.

The Recreation segment will be renamed Recreational Vehicles and will continue to be led by its current president, Mike Lanciotti.

The company expects to provide updated fiscal 2024 guidance, including the impacts of these strategic actions, with its first quarter fiscal 2024 earnings release.

[REV GROUP, INC. TO EXIT SCHOOL AND TRANSIT BUS MANUFACTURING AND REORGANIZE INTO TWO REPORTING SEGMENTS; ANNOUNCES A SPECIAL CASH DIVIDEND](#)

Company Profile

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