



Acerinox formalises the acquisition of VDM Metals, global leader in the manufacture of special alloys

- *The company is valued at €532 million.*
- *Yesterday Acerinox disbursed €310 million for all the shares..*
- *Examination of the transaction enabled synergies of more than €14 million to be detected*

Acerinox has formalised the acquisition of VDM Metals having received authorisation from the European, US and Taiwanese competition authorities.

Yesterday, the CEO of Acerinox, Bernardo Velázquez, and the President and Managing Partner of Lindsay Goldberg Vogel (former holding company of VDM Metals), Thomas Ludwig, signed the agreement, through their representatives, for the company with headquarters in Germany to form part of Acerinox.

The transaction is valued at €532 million, of which Acerinox disbursed €310 million yesterday, assuming debts of €57 million, giving rise to a valuation of 5.5 times EBITDA before synergies.

“In the circumstances we are currently living, this acquisition makes more sense than ever, since it diversifies our risk, adds a business line and establishes a strategy that we believe will be successful, in addition to strengthening the Group’s competitiveness and robustness. Furthermore, the cash generation and decrease in debt recognised last year leaves us in an optimal situation for taking on this challenge”, reassures Bernardo Velázquez, CEO of Acerinox.

The new Group company is a global leader in the development and manufacture of special nickel alloys, as well as high-performance stainless steels, and is recognised as a R+D+I benchmark in the industry.

This is very positive news that involves a strategic business development opportunity for the Group and is also a project for the future that enables Acerinox to diversify part of the business, grow and create new possibilities for progression. Moreover, Acerinox will access new applications with greater value in industries, such as the aerospace, chemical, automotive and electronic, hydrocarbon, industrial emissions control, water treatment and purification and renewable energy industries.

The activities performed and products manufactured by Acerinox and VDM in their respective fields compliment each other, and the transaction has clear manufacturing, sales and distribution benefits for both companies and will contribute significant synergies of at least €14 million.

VDM has 7 production plants in Germany and the US and almost 2,000 employees. This structure joins the six factories the Group already has on four continents. The Group is also present in 57 countries as a result of its commercial network, which serves more than 12,000 customers across 81 countries.

In 2018/19, VDM achieved sales of €852 million and EBITDA of €97 million. Its incorporation into the Group will enable its net sales and billings to increase by more than 20%.

VDM Metals

