

**DATE**

April 27, 2017

**SECTORS**

Industrials

**DEAL TYPE**

M&A Advisory

**DEAL LOCATIONS**



**DEAL TEAM**



**Stefan Jaecker**  
CEO



**Carsten Burger**  
Managing Director



**Edward de Stigter**  
Director

# DC Advisory advised HQ Equita on the sale of ISOLITE to Hitachi Chemical



DC Advisory acted as exclusive financial advisor to HQ Equita GmbH (“HQ Equita”) on the sale of ISOLITE Group (“ISOLITE”), the global technology and innovation leader for high-temperature acoustic and thermal insulation solutions for the automotive, aviation and industrial markets, to Japan-based Hitachi Chemical Company Ltd. (“Hitachi Chemical”).

## Background

- ISOLITE’s thermal and acoustic insulation and encapsulation solutions are integrated in combustion engines, turbines, exhaust gas treatment components, batteries and stationary power generators. ISOLITE complements core expertise in “hot end”-applications up to 1,600°C with “cold end”-technology
- Based on proven proprietary material expertise, patented fiber technology and application engineering capabilities, ISOLITE is a development partner of choice for a range of global blue chip customers
- The company's products enable OEMs to meet ever-stricter environmental regulations and CO2 emission standards, helping to achieve energy and fuel saving-targets and increasingly stringent acoustic requirements across multiple industries
- ISOLITE serves its international customer base from locations in Germany, the USA, South Korea and South Africa
- HQ Equita is a German-based private equity group focused on middle market companies with a strong development potential. It acquired ISOLITE in 2010 and has since supported the company in becoming a global leader and innovation-driven powerhouse for thermal and acoustic management.
- Hitachi Chemical is a listed Japanese industrial conglomerate focused on functional materials and advanced electronic components and systems as well as automotive. The company’s consolidated revenues for the fiscal 2015 (ended March 31, 2016) totaled 547 billion yen (USD 4.8 billion).

## Outcome

- With the acquisition of ISOLITE, Hitachi Chemical plans to expand its material technology expertise as well as its automotive business
- Hitachi Chemical has a clear vision for growth of the combined entity's operations and expects that customers will greatly benefit from the combination of ISOLITE's process and application expertise with Hitachi Chemical's deeply rooted materials engineering excellence

DC Advisory acted as exclusive M&A advisor to HQ Equita on the sale of ISOLITE. This transaction illustrates DC Advisory's long-standing experience in interacting with investors in Asia and its particular expertise in successfully executing cross-border transactions.

The transaction is subject to regulatory approval and other customary closing conditions.

We are proud to have had the opportunity to support an outstanding management team in taking ISOLITE to the next level and firmly establishing the company on the international stage by adopting an entrepreneurial and industrial investment approach. With Hitachi Chemical, ISOLITE has found an ideal partner to continue on its successful growth path in the future.

Hans J. Mook  
Managing Director of HQ Equita