

DATE

November 13, 2015

SECTORS

Industrials

DEAL LOCATIONS**DEAL TEAM****Stefan Jaecker**
CEO**Edward de Stigter**
Executive Director

DC Advisory advised BPE on the sale of VTN to IHI



DC Advisory advises BPE Unternehmensbeteiligungen (“BPE”), a Hamburg-based mid-cap investment fund, on the sale of VTN Beteiligungsgesellschaft (“VTN”), a portfolio company providing heat treatment services to a wide range of industries, to IHI Corporation (“IHI”), a Japanese industrial conglomerate. BPE acquired VTN 10 years ago from Ruhrgas Industries-Group in a management buyout. As part of its buy-and-build strategy, VTN acquired the EFD Group in 2010 and subsequently integrated the asset.

VTN, founded in 1958, is a leading provider of advanced heat treatment services offering a wide range of heat treatment technologies such as vacuum heat treatment, induction heating and protective atmosphere heat treatment. Through five strategically-located and well-invested production sites in Germany, VTN provides nationwide services for customers from a broad variety of end markets, in particular automotive, aviation, industrial and agricultural.

IHI, established in 1853, is a listed Japanese industrial conglomerate with more than 28,000 employees and sales of approx. EUR 10bn for the year 2014. IHI’s fully-owned subsidiary, IHI Machinery and Furnace Co., is a leading supplier of vacuum furnaces with more than 2,000 installations worldwide.

With the acquisition of VTN, IHI pursues to further expand its global heat treatment technology operations through the European market. IHI expects that customers will greatly benefit from the combination of VTN’s process engineering know how with the design engineering excellence at IHI for heat treatment machinery. Furthermore, IHI is now able to provide a comprehensive service portfolio through VTN and its other subsidiaries for surface treatment, IHI Ionbond and IHI Hauzer Techno Coating, promoting IHI’s ambition of becoming a global leader in heat treatment and surface treatment technology.

DC Advisory acted as sole financial advisor to BPE on the sale of VTN. This transaction illustrates DC Advisory's strong network in Asia and its particular expertise in successfully executing cross-border transactions.