

Aalberts Industries acquires innovative leader in mechanical groove systems

Langbroek, 29 November 2016

Aalberts Industries N.V. has reached an agreement to acquire 100% of the shares of Shurjoint Piping Products USA, Inc., Haohan Metal (Kunshan) Co. Ltd. and Shurjoint Metals Inc. ('Shurjoint'). Shurjoint is an innovative leader in the development, manufacturing, sales and distribution of grooved components for mechanical piping systems, generating an annual revenue of approximately USD 42 million.

Shurjoint was founded by Sam Wang and Howard Hagiya in 1974 in Taiwan. The company is based in Taiwan and China (ductile iron foundries, development & engineering, machining, assembly and coating) and North America (engineering, sales & distribution). Shurjoint has a complete portfolio of mechanical piping components with more than 3,000 items in sizes from 1/2" to 104", for use with a variety of piping materials to connect mechanical piping systems in commercial buildings and many industrial applications.

Groove systems are a perfect strategic fit to the existing connection technology portfolio in our Building Installations business. It enables us to strengthen our project offering with a complete range of sizes, for all kind of end markets, for a variety of piping materials. This expanded connection programme will be combined with our valve portfolio, which offers many opportunities for growth and innovations.

The ductile iron foundries of Shurjoint will work closely together with our cast iron, stainless steel and bronze foundries in the USA. There are many opportunities to optimise the sourcing between the foundries and to utilise each other's supplier network in North America, Taiwan and China.

Sam Wang and his family, including the second generation, will continue to lead the locations in Taiwan and China. They will work closely together with the North American manufacturing team of Building Installations. Mark Beach, based in Shurjoint USA, has more than 35 years of experience in sales and business development. Mark and the entire Shurjoint team will support us in the coming years to grow our sales and optimise our portfolio in Europe, North America, Middle East and Asia.

The results of Shurjoint will be consolidated with effective date of 1 October 2016 and after finalising all necessary formalities. The acquisition will directly contribute to the earnings per share and will be financed from existing credit facilities.

Please visit www.shurjoint.com for additional information.

For more information (from 8 am CET):

+31 (0)343 56 50 89
info@aalberts.com