

OVERVIEW

Headquarters/Sites	Flensburg (DE), SK, AT, CN
Industry	Compressors for refrigeration
Revenues	EUR 356.6m
EBITDA	EUR 28.1m
Asset class	MidMarket

November 2010

AURELIUS Group
has acquired

Danfoss Household
Compressors

from



July 2017

AURELIUS Group
has sold

SECOP

to




AURELIUS EBITDA Improvement	EUR 26.8m
Enterprise Value at Exit	EUR 185.0m
AURELIUS Money Multiple	11x






AT ACQUISITION

Corporate orphan producing commodity compressors for white goods, burdened with high cost structure

- Stuck in highly competitive market segment with only small share in attractive high-efficiency segment
- Volume-strategy based on household applications; little focus on more profitable commercial applications
- Underutilized, high-cost manufacturing footprint

 Household Compressors

Innovation/ Technology	Competitiveness of Operations	Strategic Perspective
 <ul style="list-style-type: none">Commodity productsLost technology advantage	 <ul style="list-style-type: none">Three sites in EuropeChina potential not utilized	 <ul style="list-style-type: none">Non-core business unitLosing market share

AURELIUS' OPERATIONAL INVOLVEMENT

Carve-out

- Carve-out from Danfoss (stand-alone systems, financing, re-branding, management team, cultural change)
- Phase-out of legacy Danfoss distribution agreement

Operational improvement

- Optimization of the production footprint and outsourcing of components
- Fixed cost reduction and working capital management program
- Implementation of new sales structure and build-up of sales organization in growth regions North America and China

Strategic add-on acquisition



- Take-over of key competitor ACC Austria
- Consolidation of component production and build-up of central R&D hub in Austria

Focus on technology and strategic reorientation




- Technology leadership-strategy based on development of variable speed technology and focus on low cost, high efficiency and eco-friendly variants
- Shift from commodity household market to high efficiency and commercial applications

AT EXIT

Global leader in advanced compressor technologies

- Focused on attractive market segments with superior products providing competitive advantage
- Balanced international footprint to exploit full growth and margin potential
- Leading player in the industry providing excellent platform for Nidec's growth strategy in the appliance industry

SECOP

Innovation/ Technology	Competitiveness of Operations	Strategic Perspective
 <ul style="list-style-type: none">Leader in variable speedStrong product pipeline	 <ul style="list-style-type: none">Low cost sites in Slovakia / ChinaLess backward-integration	 <ul style="list-style-type: none">Focused on attractive nichesAddressing growth drivers

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