

JULY 25, 2019

GROUPE LEGRIS INDUSTRIES ACQUIRES LAULAGUN BEARINGS TO PORTOBELLO CAPITAL

Groupe Legris Industries has acquired Laulagun Bearings, an industrial business based in Spain's Basque Country.

Laulagun Bearings designs and produces large-diameter bearings for wind turbines (blade and yaw bearings) and for other industries, such as lifting and handling equipment and water treatment.

When it was founded in 1973, Laulagun specialized in machining large components, including large-diameter special bearings and slewing rings for construction and public works equipment, such as mobile and tower cranes. During the nineties, the company moved into the emerging wind power sector, which has grown so robustly that it has become the company's primary market. Laulagun Bearings has positioned itself on the cutting edge of technology and is pursuing a renewable energies-based growth strategy by developing tailored, customer-driven solutions and investing in R&D to penetrate fast-growing markets such as offshore wind energy.

Already a major player on the European market, Laulagun Bearings is now going global with a move into India's booming wind power market. The company has two industrial sites in Spain, including an R&D center in Idiazabal, and is currently putting the final touches on a new factory near Chennai (India). Groupe Legris Industries will support Laulagun in two highly strategic areas: international growth and offshore wind energy.

By acquiring Mep in late June and Laulagun Bearings today, the Group is stepping up its growth and pursuing its industrial diversification strategy by integrating European companies that are major players with repeat business in global niche markets. To handle these two acquisitions and refinance its 2016 acquisition of Schiederwerk, Groupe Legris Industries has set up a comprehensive financing package with its banks and other financial institutions.

With Mep and Laulagun now aboard, Groupe Legris Industries has a portfolio of five industrial companies (Clextal, Keller, Laulagun Bearings, Mep and Schiederwerk) based in four leading European countries (France, Germany, Italy and Spain), and a workforce of over 1,300 employees in 18 countries. The Group expects full-year sales to rise to around €300 million.

Erwan Taton, Chairman of the Groupe Legris Industries Executive Board, said, *"By acquiring Mep in late June and Laulagun Bearings today, Groupe Legris Industries has assembled a diversified portfolio of industrial companies—each a major player in its own global niche market. These two acquisitions of European medium-size businesses, made in rapid succession, have consolidated our diversification strategy and laid a solid foundation for continued growth."*

Juan Luis Ramírez, a founding partner at the private equity firm Portobello Capital, said, *"After four years of partnership with Laulagun's Management Team, we have fulfilled the strategy and objectives proposed at the time of purchase, which were the growth in sales, broadening the customer base and internationalizing the company by installing new productive capacity in other continents, following its client's global footprint. We are convinced that Legris Industries will successfully continue the company's future development in this new phase of growth and expansion."*

Jorge Damián, CEO of Laulagun Bearings, said, *"As part of Legris Industries, Laulagun Bearings will reinforce its strategy to become the preferred global and reliable supplier for its customers who are leaders in their sectors. In this sense, we will further promote and develop long term relationships through internationalization, product technology and customer focus, that we have already initiated with the support of Portobello."*

About Portobello Capital

Founded in 2010, Portobello Capital is a leading independent Mid-Market Private Equity manager based in Spain that invests in Southern Europe. It has 1.3bn€ AuM, a team of twenty-seven professionals and fifteen companies in its portfolio (Angulas Aguinaga, Centauro and Vivanta, among others). Portobello Capital manages two Primary funds: Fund III was closed in 375 million euro in August 2014 and it is fully invested, and Fund IV closed in February 2018 which is currently being invested. Portobello Capital is also managing a Secondary vehicle with c.300m€.

ABOUT GROUPE LEGRIS INDUSTRIES

Founded in 1986, Legris Industries is a diversified industrial group that is primarily family-owned. It holds a unique position helping mid-size industries grow.

LEARN MORE AT:
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Groupe Legris Industries now has five Divisions



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