

MHI and Primetals Technologies to acquire ABP Induction Systems

Mitsubishi Heavy Industries (MHI) and Primetals Technologies will acquire ABP Induction Systems (ABP) from CM Acquisitions

Dortmund, July 17, 2019: Mitsubishi Heavy Industries (MHI) and Primetals Technologies will acquire ABP Induction Systems (ABP), a global manufacturer and servicer of induction furnaces and heating systems from CM Acquisitions, a Chicago based private equity firm. ABP offers a variety of best-in-class products and comprehensive services to blue-chip customers, including leading automotive OEMs and suppliers, industrial manufacturers, independent foundries as well as steel plant manufacturers and steel producers. MHI and Primetals Technologies will jointly take ABP's shares. Future business activities will be conducted in close cooperation with and under the leadership of Primetals Technologies. The completion of the acquisition of ABP is subject to the approval of the relevant authorities, and is planned to close around the end of August, 2019.

ABP provides state-of-the-art equipment for ferrous and non-ferrous metal casting, forging and steel making. Its main products are induction melting, holding and pouring furnaces as well as induction heaters. ABP's business is built upon a large and global customer base with more than 1,600 active units worldwide. ABP also has a core competence in the service business and provides comprehensive aftermarket solutions to customers through the entire product lifecycle. Service centers are strategically located close to the major industrial areas in Germany, the United States, China, India, Mexico, Russia, South Africa, Sweden and Thailand.

ABP also exclusively provides special induction heaters to Primetals Technologies for endless strip production, which helps provide a competitive edge.

"ABP's induction heaters are one of the most crucial elements for endless strip production, a flagship process for Primetals Technologies. With ABP becoming one of MHI's group companies and the further close ties that will bring, we can develop and provide customers with even more advanced technologies. Also, with the acquisition of ABP, we combine its competence in induction heating and related activities with our know-how as a worldwide engineering, plant-building, lifecycle services and digitalization partner for the metals industry," said Satoru Iijima, Chairman of the Board and CEO of Primetals Technologies. "ABP's well-experienced portfolio and its know-how will certainly complement our wide range of customer plants, namely mini mills and long rolling plants, especially in emerging markets, as well as in endless strip production."

Till Schreiter, CEO of ABP, added: "ABP's state-of-art induction products and technology-driven culture will fit well with both shareholders. Through a closer tie-up with MHI and Primetals Technologies, ABP can pursue further growth potentials, which will also lead to a contribution to them." With MHI and Primetals Technologies, ABP has access to their resources worldwide, which will improve ABP's global market presence, provide opportunities to develop new business sectors, and drive digitalization. "This will assure long-term stability for our facilities, employees and customers".

ABP will be a group company of MHI under the ownership of Mitsubishi Heavy Industries America, Inc., headquartered in Houston, Texas, and Primetals Technologies USA LLC, Alpharetta, Georgia.

About ABP Induction

ABP is a leading supplier of induction furnaces and heating systems for the metals and metalworking industries. With design, production, assembly and aftermarket services for foundries, forging and steel plants, we are experts in melting, pouring, holding and heating of iron, steel and nonferrous metals. With over 400 highly skilled employees worldwide as well as sales, manufacturing and aftermarket locations in the United States, Germany, Sweden, Mexico, Thailand, India, China, South Africa and Russia, ABP can supply products and services to all regions of the globe. Regardless of where your company is located, ABP's dedicated and experienced team stands ready to support you anytime, anywhere.

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