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ERBUD S.A. intends to take over the German company IVT

ERBUD SA, a leading Polish construction company, agreed the terms and conditions of the contract for the acquisition of a 100 percent stake in the German company IVT Weiner+Reimann GmbH, a supplier of comprehensive services for the industry. The takeover of the entity from the Ruhr area will be the largest Polish acquisition in the field of engineering and service for industry.

IVT Weiner+Reimann GmbH with headquarters in Oberhausen has been operating since 1982. It employs over 230 people. Its core business is engineering and service support for industrial facilities (e.g. pipelines, pumps, silos, cooling towers), installation, maintenance and repair of power, air conditioning, ventilation and sanitary systems. The purchase agreement of IVT Weiner+Reimann GmbH also includes its subsidiary IVT Menzenbach GmbH, which deals with employee leasing.

“The acquisition of a German company with such a wide range of competences and significant diversification of revenue sources is part of the consistent implementation of our business model. It provides for, among other things, foreign expansion, increasing the portfolio of services provided, acquiring new know-how and building a stable order portfolio”, says Dariusz Grzeszczak, President of the ERBUD SA Management Board.

The IVT's activities are concentrated in the region of Ruhr. Beside the main office, the company has nine plants located at its clients' facilities. Among the IVT business partners are companies from the energy, mining, construction and chemical sectors as well as steelworks and refineries.

The average annual revenues of IVT amounts to EUR 23 million, EBITDA has an average annual level of EUR 2 million, and net profit is EUR 0.9 million.

“IVT Weiner + Reimann GmbH meets all the criteria we have defined during the planning of possible foreign acquisitions. It is a family company with over 35 years of tradition, excellent reputation and great business relations on the local market. IVT is a professionally managed enterprise with an experienced and specialized staff. Thanks to this, it wins attractive, high profitability contracts, including those with such prestigious brands as Cargill, ArcelorMittal and ThyssenKrupp. IVT has a very good financial condition, and reaches over EUR 20 million per year. As new owners, we do not plan a revolution but we chose an evolution. The previous key shareholders and creators of the company's success, hence its co-founder Heinz Reimann and son of the second co-founder Carsten Weiner, will continue to manage the company and realize business goals with the full support of the new owner. We are convinced that the combination of rich experience and high competences of IVT along with the market and capital position of the ERBUD Group will contribute to the further development of the company”, explains Dariusz Grzeszczak.

The German market for maintenance services in industry is worth approx. EUR 20 billion, that is about 10 times more than in Poland, and has an enormous development potential. The value of maintenance services provided in the energy, chemical, petrochemical and refinery sectors only - that is in the areas of IVT's operations - is about EUR 13 billion.



“In particular, production in the chemical industry will increase in the coming years, which opens the way to numerous tenders for suppliers of engineering and maintenance services for this sector. It is also possible to increase the demand for services for the automotive industry, mainly due to the growing outsourcing. It is also expected, in all sectors, the demand for maintenance services as part of renovations of aging industrial installations”, says the President of ERBUD S.A.

As regards the development of individual business segments, the Management Board of ITV expects that this year will bring profits growth, especially in the field of electrical engineering as well as measurement and control technologies.

The ERBUD Group has been present on the German market for many years. The company GWI Bauunternehmung GmbH is based in Düsseldorf and was established as a subsidiary by the founders of ERBUD in 1993. GWI carries out projects such as offices, residential housing and public buildings, as well as special industrial and engineering ones. The ERBUD Group's other entity focused on foreign operations is ERBUD International, a company founded in 2003, performing projects in the European Union countries and specializing in shell and core of shopping, residential, public and special buildings. ERBUD International operates on the markets of Germany, Belgium and Luxembourg. Some of the Group's foreign projects are also carried out directly by ERBUD S.A.

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The ERBUD Group is one of the largest construction groups in Poland. It exists since 1995. It provides services at home and abroad, and has many years of experience gained on the Polish market as well as in Western European countries. The core business is construction of buildings, road-engineering and construction for industry and power sector. The ERBUD Group competes with the international branch players in terms of quality and meeting deadlines. Yearly, it carries out projects worth about PLN 2 billion. Since 2007, ERBUD S.A. is listed on the Warsaw Stock Exchange.

The most prestigious projects completed recently by the member companies of the Group are: Hala Koszyki Covered Market, Eurocentrum Office Complex and Royal Wilanów in Warsaw; Invasive Medicine Centre of the Medical University of Gdańsk; Magnolia Park and “Przyłądek Nadziei” Hospital in Wrocław.

For more information visit www.erbud.pl

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