

SENIOR AGREES TO £59M AEROSPACE ACQUISITION

19th Nov 2015 Central and East Muhammad Aldalou



Senior, the listed Hertfordshire-based manufacturer of high technology components and systems, has expanded its aerospace division with the takeover of Steico Industries in a deal worth \$90m (£59.2m).

Steico, which employs more than 200 staff at its 112,000 sq ft facility in California, is a manufacturer of precision tube and duct assemblies for the commercial and defence aerospace industries. The company is on track to achieve revenues of \$37.7m in its 2015 financial year.

Senior has agreed to acquire Steico from majority shareholder Troy Steiner and two other minority shareholders for a cash sum of \$75m (£49.3m) on a debt free/cash free basis. The Rickmansworth group will also purchase Steico's trading facilities from Oceanside Industrial Properties for \$15m (£9.9m).

Steico will form part of Senior's aerospace fluid systems division with its current management team remaining with the business following acquisition.

David Squires, Senior's group chief executive, said: "I am very pleased to announce the acquisition of Steico and to welcome all of its employees to the group. Steico represents an important addition to Senior's aerospace division, broadening our product offering and enabling Senior to respond to our customers' desire for us to offer more complete fluid systems work packages.

"Under Troy Steiner's leadership, Steico has an impressive track record of growth and that is expected to continue based on strong customer relationships which are underpinned by long term contracts. The joint capabilities of the two companies combined with Senior's wider market access and financial strength, are expected to further enhance the future growth prospects for Senior's aerospace division."