



News Release
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For Immediate Release

Shinagawa Refractories announces the next stage of its global expansion with the acquisition of Gouda Refractories Group

Tokyo - Shinagawa Refractories Co., Ltd (hereafter “Shinagawa”) today announces that it has purchased all the issued share capital of Gouda Refractories Group B.V. (hereafter “Gouda”), a Netherlands-based, leading manufacturer of (high-)alumina refractories and provider of refractory services, from Andus Group B.V. for a purchase consideration of EUR144 million, valuing the company at EUR162m on a debt-free, cash-free basis. The acquisition has been completed on 24 October 2024.

Acquisition Rationale

In its 6th Mid-Term Management Plan, Shinagawa set out the key strategic priorities for the periods FY2024 to FY2026 as it works towards the realization of its Vision 2030. The strategic priorities identified for the 6th Mid-Term Management Plan included further sector driven business expansion, production optimization in Japan, acceleration of global expansion, and further promotion of sustainability initiatives.

Following the acquisition of Saint-Gobain's refractory business in Brazil and wear-resistant ceramics business in the U.S. in December 2022, and the expansion of its Indonesian business announced in March of this year, Shinagawa intends to continue to deepen cooperation with local partners overseas and strengthen its business through strategic and synergistic international M&A, and has been looking for attractive opportunities to acquire businesses which will help turbocharge both its overseas business expansion and its expansion into new sectors of the refractories market. The acquisition of Gouda represents a perfect fit with Shinagawa’s strategy.

Gouda produces shaped and unshaped refractories at two production sites in the Netherlands, and has service sites in the Netherlands, Belgium, Germany, and Sweden for installation and on-site operations. The production division provides white refractory solutions for the non-ferrous metals (aluminum, zinc and copper), petrochemical, energy and steel industries, while the service division provides solutions mainly for the petrochemical, energy industries and (secondary) aluminum.

In addition to providing Shinagawa with state-of-the-art manufacturing for premium white refractories and high-value service capabilities in Europe, the acquisition will also allow Shinagawa to benefit from Gouda’s well-established customer and distribution network in Europe, the Middle East and Africa, offering an attractive opportunity to further accelerate Shinagawa’s global expansion.



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In the petrochemical sector, Gouda is one of the few manufacturers with all the major certifications with global petrochemical producers and technology providers, and therefore represents a perfect opportunity for Shinagawa to establish a strong position in this attractive market. In the petrochemical and energy sectors, Gouda is an important supplier of refractory materials that support the energy transition and other sustainability goals, including refractories for the waste-to-energy market and technologies to improve efficiency and reduce emissions at petrochemical and oil refining operations.

Gouda's product line-up and service capabilities for the petrochemical, energy, and non-ferrous metals industries are highly complementary and additive to Shinagawa's existing product line-up and customer base. The combination of these products and services with Shinagawa's existing business will offer substantial synergy potential through the promotion of cross-selling and further geographic expansion through each firm's sales network, and technical collaboration opportunities taking advantage of the combination of R&D capabilities, product portfolio and operational know-how.

In combination with Shinagawa, Gouda will be enabled to jointly expand its services network in North-West Europe and to jointly expand its offering of refractory linings to customers in the Middle East, South-East Asia and the Americas. Together with Shinagawa, Gouda will be able to serve its local customer base even better, and to ensure stability of supply of high-grade refractory materials for customers' critical production equipment and installations.

The management of Gouda is excited about the new future together with Shinagawa. This transaction represents an important step forward for the company, its employees, and the customers of Gouda.

This acquisition will greatly accelerate the realization of Shinagawa's Vision 2030 in all aspects, including globalization, expansion into new segments of the refractories industry, and sustainability.

The combination with Gouda will further enhance Shinagawa's ability to generate stable growing cash flows, realize further enhancement of corporate value through continuous investment in growth, while maintaining a solid balance sheet.

Overview of Gouda

Headquartered in the City of Gouda in the Netherlands, Gouda is a leading global supplier high-quality white refractory solutions and provider of refractory installation and services in North-West Europe. Founded in 1901 and boasting over 120 years of history, Gouda is one of the few full suite white refractory product and service providers covering a variety of end-markets including non-ferrous metals (including aluminum), petrochemicals, waste-to-energy, iron & steel, cement and paper.



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Gouda's manufacturing operations are carried out at two highly efficient state-of-the-art manufacturing facilities in the Netherlands. The plant at Gouda (where the head office is also located) produces bricks and pre-cast shapes, whilst an additional facility at Geldermalsen produces unshaped materials. Products manufactured at these two facilities are sold to a global customer base across Europe, the Middle East, Asia Pacific, the Americas and Africa.

Gouda's services division operates via local subsidiaries in the Netherlands, Belgium, Germany and Sweden and is servicing customers all over Europe. These local subsidiaries provide a variety of services to refractory customers, including installation, maintenance, dry-out activities, troubleshooting and problem solving, and training.

Employing 237 full-time employees, Gouda benefits from a talented, experienced and knowledgeable management team and a highly skilled workforce, with an outstanding commitment and track-record for quality and safety. We look forward to welcoming the management and employees to Shinagawa and supporting their further growth and development.

Gouda generated sales of EUR104 million (¥16.9 billion at ¥163/EUR) during the year ended 31 December 2023 and is highly profitable and cash generative.

Transaction overview

The transaction is being implemented through a purchase of 100% of the issued share capital of Gouda from its current parent company, Andus Group B.V., for a purchase consideration of EUR144 million, valuing the company at EUR162m on a debt-free, cash-free basis.

The transaction is not subject to any regulatory clearances and has been approved by Gouda's works council. The transaction was signed and closed on 24 October.

Shinagawa has been assisted in this acquisition by Houlihan Lokey (Financial Advisor) and Stibbe (Legal Advisor).