

## Mutares with major acquisition in Automotive

*Mutares announced the acquisition of Innomotive Systems Hainichen (ISH), a manufacturer of door hinges and complex hinges for hoods, tailgates and lids. The seller of the company is the Chinese Sumec Group, a state-controlled enterprise. ISH, which has one production site in Germany and one in China, generates yearly revenues of around EUR 120m. According to Mutares, ISH is the global leader for aluminium hinges for the automotive industry. ISH was profitable in the past years, according to reports published on the German Company Register. The announced acquisition is with regard to profitability and purchase price (PAsE: low double digit EURm range) different from the usual Mutares acquisitions of the last years. However, we believe, it will lead to a significant upgrade of Mutares' automotive portfolio. Mutares expects significant synergies with its portfolio company KICO (revenues of around EUR 80m). With a TP of EUR 30, we rate the shares a Buy.*

Zafer Rüzgar  
+49 69 58997 412, zafer.ruezgar@paretosec.com

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