

November 2020 Deal Of The Month

CLAIRFIELD INTERNATIONAL ADVISES GEHRING ON ITS SALE TO NAGEL GROUP

CLAIRFIELD
INTERNATIONAL

ADVISOR OF CHOICE FOR INSOLVENCY-DRIVEN/ FAST-TRACK M&A

Germany



was sold to



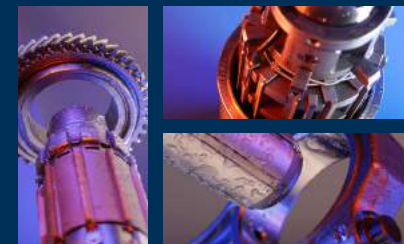
PRECISION MACHINERY



Gehring Technologies, founded 1926 in Naumburg, is a globally recognized brand for high precision manufacturing machines, especially for automotive powertrain and industrial applications. Its core competence is in honing machine technologies for the automotive, commercial vehicle, and aerospace and defense markets. Moreover, Gehring targets attractive growth markets in e-drive technology for battery, hybrid, plug-in hybrid, and fuel cell electric vehicles. The company provides customers with exceptional sales and after-sales services from a worldwide network of key locations in Germany, Italy, France, the US, Mexico, Brazil, China, and India. Pre-insolvency, Gehring generated sales of over EUR 100 million.



NAGEL Maschinen- und Werkzeugfabrik, founded in 1941 in Stuttgart, is active in precision machine and tool construction for a wide range of industries and is a leading worldwide specialist in the field of honing and superfinishing technology. With its own machines, innovative in-house process development and production of cutting tools and cutting materials, Nagel provides individual solutions for customers from locations in Germany, the US, Mexico, Brazil, China, Japan, India and the UK with annual sales of over EUR 200 million.



Combined strategic market position

One new
world market
leader

Combined
sales in
excess of EUR
300 m

Total
workforce of
1.600 highly
skilled
employees

Global
presence in
10 countries

Following the vast downturn in the worldwide automotive market in 2019 and 2020, and repercussions from COVID-19, the German Gehring companies were forced to file for insolvency in August of 2020. Clairfield was assigned by the insolvency administrator to find a successor for Gehring.

The alternative would have been a liquidation of Gehring, resulting in significant layoffs and the loss of a German technology market icon in the automotive market. The Nagel Group was ultimately selected as the "best home" at the conclusion of a competitive M&A process that was conducted mainly online during the COVID-lockdown.

This transaction demonstrates the efficient, intensive-care teamwork of Clairfield, providing top M&A services under extreme time pressure. Clairfield's project team managed a multi-phased fast-track M&A process under extraordinary circumstances including:

- Identification and approach of a buyer universe of strategic and financial investors
- Evaluation of indicative offers and selection of bidders qualifying for the next process phase
- Population of the virtual data room and evaluation of critical information/ clean team front-end
- Management and assistance of parallel due diligence processes together with the management (financial, legal, commercial, crossborder tax and ES&H) and external advisors
- Set-up and execution of on- and offline site visits, strategy workshops, and expert calls
- Support in antitrust issues and acquisition concepts to secure a flawless transaction
- Coordination and harmonization of all parties involved
- Support in negotiations up to signing and closing

With all-hands-on-deck teamwork, Clairfield finalized the transaction from initial approach to signing in less than 10 weeks.

Dr. Sebastian Schöning

CEO, Gehring Group

"The Gehring and Nagel brands stand worldwide for the highest level of competence in precision machining and in the development and implementation of innovative production technology. This merger creates the world market leader and forms a solid basis for the further development of the group."

Dr. Albert Schander

Managing Partner, Clairfield International

"Being able to conclude such a complex bidding process in less than 10 weeks is outstanding! In this case, the result is due to Gehring's excellent reputation, extraordinary professionalism of the management, constructive support of the insolvency administrator and - above all - a convincing industrial logic."

M&A advisor ranking for Europe

Rank	M&A Advisor	# Transactions
1	Rothschild	270
2	IMAP	157
3	KBS Corporate	142
4	Oaklins	131
5	Clairfield	128
6	Lazard	121
7	RDK	97
8	Lincoln	94
9	Grant Thornton	94
10	J.P. Morgan	88

Top 5
independent
M&A advisors in
Europe

Top 10
independent
M&A advisors
worldwide

Refinitiv League Table Mid-Market Independent M&A Advisor 2019

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Selected transactions with German angle

<p>GERMANY/ CHINA</p> <p>vossloh sold vossloh Locomotives to 中国中车 CRRC</p>	<p>GERMANY/ SWEDEN</p> <p>JOST acquired alo</p>	<p>GERMANY</p> <p>dynamics was sold to Formel D 3i</p>	<p>GERMANY/ USA</p> <p>Henkel acquired BERGQUIST</p>
<p>GERMANY</p> <p>LINDSAY GOLDBERG acquired VDM Metals Materials for the future.</p>	<p>GERMANY/ FRANCE</p> <p>mengineering gmbh was sold to ALTEN</p>	<p>GERMANY/ CHINA</p> <p>BROCK Kochtechnik GmbH was sold to FOTON</p>	<p>GERMANY/ US/ FRANCE</p> <p>ottobock. sold FREEDOM INNOVATIONS to PROTEOR</p>
<p>GERMANY/ SWEDEN</p> <p>schneider airsystems was sold to Atlas Copco</p>	<p>GERMANY/ USA</p> <p>BECHTLE acquired inmac wstore Systemat</p>	<p>ITALY/ GERMANY</p> <p>DE FARINA PRESSE was sold to SCHULER Member of the BAYER GROUP</p>	<p>GERMANY/ POLAND/ SWEDEN</p> <p>IOW was sold to Axel Johnson International</p>