

The rise of an international leader in the gas and water smart meters sector

DEAL FLASH | INDUSTRIAL MACHINERY & COMPONENTS | JANUARY 2021

DEAL SNAPSHOT

SIT S.p.A. has completed the acquisition of Janz-Contagem e Gestão de Fluídos S.A. (Janz), a consolidated Portuguese player specializing in the manufacture of residential water meters.

SIT is a multinational listed on the Italian Stock Exchange which, through its Heating and Smart Gas Metering divisions, creates intelligent solutions for the control of environmental conditions and consumption measurement.

Founded in 1915 by the Janz family and headquartered in Lisbon, Portugal, Janz is a manufacturer and distributor of residential volumetric water meters. It develops a wide range of mechanical meters and particularly excels in volumetric metrological technology, used not only in its own meters, but also in those supplied to leading operators in the sector.

The transaction is strategic for SIT as it will enable the further development of the group's Smart Metering division. With the acquisition of Janz, SIT extends its product portfolio to water meters, a market which is forecast to grow strongly over the coming years.

“Oaklins’ commitment and international reach have been crucial in the identification of the right target for us and throughout the acquisition process. The team’s professionalism and dedication helped us to smoothly negotiate the path of this complex cross-border acquisition, carried out almost entirely remotely to cope with the COVID-19 situation.”

FEDERICO DE STEFANI
CEO AND CHAIRMAN
SIT S.P.A., ITALY

OAKLINS FOUND THE BEST PARTNER TO EXPAND THE BUSINESS

Oaklins’ teams in Italy and Portugal advised the buyer throughout the acquisition process, from the scouting of the potential target to the negotiations which led to the closing of the operation.



MARKET TRENDS & DEAL DRIVERS

The water metering market is expected to grow considerably in the coming years. The scarcity of water is highlighting the industry and its ability to increase efficiency and safeguard the resource. It is a matter of fact that a significant quantity of water managed by the utilities is currently unaccounted for, partly due to failures in metering systems.

With the acquisition of Janz, by leveraging its extensive expertise in the water metering market and bringing SIT's know-how in consumption data measurement and communication technologies, SIT will further strengthen its position and pursue its mission to become the leading player in intelligent solutions for energy efficiency.

M&A VALUATION ASPECTS

The price, excluding cash and debt, amounts to US\$34.3 million. An earn-out of up to US\$1 million is also stipulated provided that certain targets are achieved in 2021.

Janz's sales in 2019 reached US\$22.5 million, with a CAGR over the last five years of 9%, and an EBITDA of US\$4.9 million in the same year.

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Enrico has more than ten years of experience in M&A. Notable clients he has advised include Umbra Group, Lavazza, LIFCO, Italian Wine Brands and SCS Computers. Enrico is also a promoter of Industrial Stars of Italy 3, a Special Purpose Acquisition Company listed on the Italian stock exchange in October 2017.

Diogo has more than 18 years' experience in corporate finance and transformation processes in the Portuguese mid-market. Some notable clients include Leya, Atena EP, Joalpe, Sugai, Crest CP and Iberis.



“This transaction is a notable example of how the entrepreneurial spirit is the common ground of both a multinational listed company, SIT, and a successful family company, Janz. A true success story, where the travel restraint regulations due to the current pandemic added even more complexity to a cross-border transaction.”

ENRICO ARIETTI
PARTNER, OAKLINS

OAKLINS HAS CLOSED 191 DEALS IN INDUSTRIAL MACHINERY & COMPONENTS

Oaklins is the world's most experienced mid-market M&A advisor, with over 850 professionals globally and dedicated industry teams in more than 45 countries. We have closed 1,700 transactions in the past five years.

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