



Oaklins

Brazil's ceramic industry sees new leader after acquisition of top producer

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DEAL SNAPSHOT

Elizabeth Revestimentos has been acquired by Eliane Revestimentos, a subsidiary of Mohawk Industries (NYSE: MHK). The combination of Elizabeth and Eliane, which became part of Mohawk in 2018, will make the company the leading producer of ceramic tiles by revenue in Brazil, and the second largest in the global ceramic market.

Elizabeth, founded in 1984, is one of Brazil's largest ceramic tile manufacturers and the only national company with the capability to produce both polished and unglazed porcelain in the northeast and south regions. The company operates five industrial plants with a combined production capacity of 50 million m².

Eliane, established in 1960, has an annual porcelain production capacity of 40.8 million m² across six industrial plants in Brazil, with five in the south and one in the northeast. The company boasts a presence in over 80 countries through its more than 15,000 sales points.

Based in the US, Mohawk is the world's largest manufacturer, distributor and marketer of ceramic tiles, with a total production capacity of 250 million m² per year. In addition, Mohawk is a leading producer of carpet, laminate and sheet vinyl on a global scale.

OAKLINS WORKED TIRELESSLY TOWARDS THE SUCCESS OF THIS TRANSACTION

Oaklins Olimpia Partners in Brazil served as Elizabeth's financial advisor, leveraging its industry expertise to drive the sale process. With a successful track record in the sector, including advising on the sale of Eliane to Mohawk and the sale of Cecrisa to Vinci Partners, the Oaklins team was committed to securing the best outcome for Elizabeth and its shareholders. Throughout the preparation and negotiation phases, the team provided strategic guidance and worked tirelessly to ensure a successful closing.

Elizabeth

has been acquired by


MOHAWK[®]
INDUSTRIES, INC.

“We had an excellent experience working with Oaklins Olimpia Partners. Their broad expertise in the sector combined with the dedication and focus of the team on achieving results were fundamental to the success of the transaction.”

MANFREDO GOUVEA JUNIOR
CEO
ELIZABETH REVESTIMENTOS
BRAZIL

MARKET TRENDS & DEAL DRIVERS

The acquisition of Elizabeth by Eliane, a subsidiary of Mohawk, creates the largest ceramic tile manufacturer in Brazil, with the capacity to produce high-end products in both the northeast and south regions.

The acquisition was driven by several factors, including Elizabeth's strong brand and strategically located state-of-the-art industrial facilities. With the addition of Elizabeth's industrial capacity, Eliane and Mohawk will be better equipped to serve clients across Brazil.

M&A VALUATION ASPECTS

The financial details of this transaction have not been disclosed.

The transaction comes at a time when the Brazilian ceramic tile market is moving towards higher value-added products, such as glazed and unglazed porcelain and large formats, positioning Eliane and Mohawk be able to take advantage of this growth opportunity.

TALK TO OUR ADVISORS



✉ **RICHARD RAINER**

Managing Partner
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Richard has over 35 years of banking experience, having participated in the origination and execution of mergers, acquisitions, restructurings and equity and debt offerings across multiple industries and sectors. Notable transactions include the sale of a strategic stake in Aegea, the largest privately held Brazilian water and sewage company, to Itaúsa; the sale of the auto and PC insurance businesses at SulAmérica to Allianz; and the sale of Eliane Revestimentos to Mohawk Industries.



✉ **IRAJÁ GUIMARÃES**

Partner
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With over 20 years of experience in banking, Irajá has participated in numerous transactions across several industries. Notable transactions include the acquisition of a controlling stake in Vallée by Merck Animal Health, the largest acquisition in the Brazilian animal health industry; the sale of AD Corretora de Seguros, one of the biggest privately held insurance brokers in Brazil, to Marsh & McLennan Companies; and the sale of Brazilian health insurance company Careplus to Bupa, the global UK-based health insurer.



✉ **VICTOR ANDREOLI**

Partner
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Victor has extensive experience in mergers and acquisitions, having participated in the execution of several transactions across multiple industries and sectors. Notable transactions include the sale of a strategic stake in Aegea, the largest privately held Brazilian water and sewage company, to Itaúsa; the sale of Eliane Revestimentos to Mohawk Industries; and the sale of MAF, Banco Modal's fund administration business, to Apex Group.

“The Brazilian ceramic tile market has undergone significant transformations in recent years, marked by Mohawk's entry through the acquisition of Eliane and now Elizabeth, and Dexco's entry into the market through the acquisition of Ceusa and Cecrisa. Nevertheless, there is still potential for further consolidation, as regional independent manufacturers still hold a considerable market share.”

VICTOR ANDREOLI
PARTNER, OAKLINS OLIMPIA PARTNERS



OAKLINS HAS CLOSED 527 DEALS IN CONSTRUCTION & ENGINEERING SERVICES

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 850+ financial advisory professionals in 45 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

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