

LEADING INTEGRATED PHOTONICS GROUP TAPS GROWTH POTENTIAL IN THE US MARKET

Deal snapshot

- JENOPTIK AG, a German integrated photonics group, has acquired Five Lakes Automation LLC. (FLA), a US-based provider of complex automated manufacturing solutions.
- JENOPTIK operates in the optics and life sciences, mobility and defense, and civil systems segments. The company's automotive unit is a major manufacturer of production metrology and 3D laser systems. The laser systems are integrated into customer production lines as part of their process optimization and automation. They machine plastics, metals and leather with maximum efficiency, precision and safety. The group has 3,500 employees and generated revenues of US\$811 million in 2016.
- FLA was founded in 2013 and is a full-service turnkey provider of complex automated manufacturing solutions. The company plans and designs automated production lines, and integrates them into the customer's production systems. The services and products related to process engineering and implementation of automated manufacturing solutions include design, system layout, simulation, controls, hardware and software design, robotic handling systems and transfer devices. FLA has specific expertise in the joining of complex metal components, especially welding systems. Customers include leading US car manufacturers and automotive suppliers. The firm is headquartered in Novi, Michigan, close to the new technology campus in Rochester Hills, the US location of JENOPTIK's automotive unit.
- While JENOPTIK specializes in efficient, precise and safe 3D laser processing, FLA contributes comprehensive experience in the handling of devices and the integration of individual production systems into automated process lines. FLA will benefit from JENOPTIK's worldwide presence and financial strength.



What our client said



Stefan Traeger, President and CEO, JENOPTIK AG, Germany

"This acquisition gives us new know-how on automated production and new customers: not only can we offer stand-alone machines now but also complete process solutions from a single source."



Our role in the transaction

Oaklins' industry specialist teams in Germany and Chicago identified 91 potential targets, selected six high-value options and advised JENOPTIK throughout this transaction.

Market trends and deal drivers

- JENOPTIK's acquisition of process automation and process control capabilities follows a strong trend in the German machinery sector, known as "Industrie 4.0".
 - The US automotive industry is growing, so this transaction is also part of a bid to expand in the North American market.
 - Demand for industrial machinery and highly engineered automation processes is increasing.
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M&A valuation aspects

- In recent months, prices have risen in the specialized process automation industry.
 - Financial figures have not been disclosed for this particular transaction. However, the purchase price was negotiated along average multiples in the sector, which were nevertheless attractive for JENOPTIK given the high production depth and synergies expected.
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Oaklins industry specialists



✉ **Hans Bethge**, Managing Partner, Oaklins, Germany

Hans is particularly focused on cross-border transactions. He has advised many clients in the industrial machinery & components and automotive sectors. Some of his clients include DETECH Fahrzeugentwicklung, LORD Corporation, ebm-papst Mulfingen GmbH&Co. KG and QuEST Global Services Pte. Ltd.



✉ **S. Jack Campbell**, Principal, Automotive Specialist, Oaklins, USA

Jack has advised on many acquisitions, divestitures, financings, management buy-outs and joint ventures in the industrial and automotive industries. He has closed transactions with Balda AG, UniTek and Fujikura Kasei Co., Ltd., among others.

OAKLINS HAS CLOSED 95 DEALS IN INDUSTRIAL MACHINERY & COMPONENTS IN THE LAST FIVE YEARS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.