

Kuusakoski Oy acquires 80% of the shares in Averhoff A/S

Kuusakoski Oy will acquire 80% of the shares in Averhoff A/S as per 24 November 2010. The former owner of Averhoff, Michael Averhoff, will keep the remaining 20% and continue as CEO of the company.

Kuusakoski Oy is a Finnish family-owned group, which posted revenue of approx. EUR 550 million in 2009. CEO Timo Kuusakoski is the fifth generation in the global group, which has offices in Scandinavia, Europe, the Baltic States and Eastern Europe, Russia, Asia and the USA.

Kuusakoski's primary business area is the trade and processing of iron and metals. In recent years, there has been strong growth in the area of electronic waste recycling, and the acquisition of Averhoff is therefore a natural part of the group's growth plans for this segment.

Averhoff's revenue is expected to reach DKK 40 million in 2010, and for the past 10 years the company has seen constant growth and has not yet posted a loss. Even during the recent financial crisis, Averhoff has been able to generate a profit, and the results for 2010 show a marked improvement compared to 2009.

Michael Averhoff has been owner of the company since 1998 and he is delighted about the new merger: "Twelve years ago we had one employee and revenue of DKK 800,000, so a lot has happened since then. It's an altogether different company today and the sale of a major stake to Kuusakoski gives the company the necessary competitive edge and ensures the best basis for keeping our jobs in Denmark. I am particularly delighted that the majority shareholding is being acquired by a family-owned group."

"Furthermore, competition is tough in the industry today. So far we have been able to win large tenders by virtue of our business acumen and investments in new technology such as a new mechanical processing facility, which was opened in November 2008 by the Danish Minister for the Environment at the time, Troels L. Poulsen. This has enabled us to maintain our competitive edge and created a foundation for continued growth. However, in future only the strongest will survive. Consolidation in the industry is taking place at a rapid rate, and the new merger puts us in a strong position to tackle the challenges facing us in coming years."

Kuusakoski's Director for New Businesses, Petri Halonen, is excited about the opportunities created by the acquisition. "This merger has lot of synergies. Acquiring the majority of Averhoff A/S, Kuusakoski attains a strong market position in the Danish market for e-waste. The acquisition supports Kuusakoski's strategy and Averhoff fits well into Kuusakoski Group. Averhoff is a well managed company, and it offers valuable local expertise. On the other hand, Kuusakoski has commercial and technical experience and know-how. Together Averhoff and Kuusakoski create a solid foundation for further development."

Michael Averhoff: "Of course, for me it's a special feeling to be selling part of a family business that has been very active in the Danish waste collection market since 1948, but I have no doubt that this is the right thing to do for the company and our employees who have worked extraordinarily hard for so many years and thus contributed to the company's success. The merger strengthens the company even further, and I am delighted to continue to be a part of the company's growth."

The consultancy firm Advizer A/S and the law firm Gorrissen Federspiel assisted Averhoff A/S in the sale.

The parties have agreed not to disclose the terms of the share transfer.

For further information, please contact Michael Averhoff on tel. +45 2122 5824.