

Media release

Schaffhausen

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GF Casting Solutions completes withdrawal from automotive iron casting business in Europe

As part of the strategic focusing of its portfolio, GF Casting Solutions, a division of GF, is divesting its iron foundry in Herzogenburg (Austria) to MRB FerCon GmbH. The transaction will have a negative one-off effect of CHF 10 million on the operating result in the second half of 2019.

As part of its Strategy 2020, GF Casting Solutions has taken promising steps in recent months. The attractive aerospace and energy segments have been expanded systematically. In line with the trend toward lighter vehicles, the division has also strengthened its position in aluminum and magnesium light metal components. At the same time, the divestment of the Singen and Mettmann (Germany) sites at the end of 2018 initiated the withdrawal from the automotive iron casting business in Europe.

As announced in the Mid-Year Report 2019, GF Casting Solutions is now divesting its iron foundry in Herzogenburg (Austria). The foundry is being acquired by MRB FerCon GmbH, which was established by the two former GF executives Markus Rosenthal and Ralf Bachus. With around 250 employees, the plant generates sales of approx. CHF 75 million. The light-metal foundry at the same location is not affected by the divestment.

The transaction will take place retroactively as of 30 September 2019, and will have a negative one-off effect on GF's operating result (EBIT) of CHF 10 million. GF is granting a loan of around CHF 12 million to the buyer to finance the purchase.

Andreas Müller, CEO of GF, says: "With this divestment, we are consistently implementing our Strategy 2020. We are pleased to divest the site with all 250 employees to an experienced and proven management team with comprehensive foundry and sector knowledge. Also with this transaction, the focus is on continuity for customers and employees."

With lean structures, the owners of MRB FerCon GmbH are convinced to respond swiftly and flexibly to the needs of the customers. Markus Rosenthal, owner of MRB FerCon, says: "Together with our employees, we look forward to further developing the Herzogenburg site."

GF Casting Solutions is one of the world's leading solution providers for light weight components in passenger cars, trucks, the aviation and energy segments which reduce CO₂ emissions. The division develops and produces highly complex metal components at locations in Switzerland, Germany, Austria, Romania, China and the USA.

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Company profile

GF comprises three divisions: GF Piping Systems, GF Casting Solutions and GF Machining Solutions. Founded in 1802, this industrial corporation is headquartered in Switzerland and present in 33 countries through 140 companies, 57 of them production facilities. Its approximately 15'027 employees generated sales of CHF 4'572 million in 2018. GF is the preferred partner of its customers for the safe transport of liquids and gases, lightweight casting components and high-precision manufacturing technologies. For further information, please visit www.georgfischer.com.

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