

Senior PLC

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Senior seeks buyers for aerostructures business

Senior Plc (LON:SNR) is examining the sale of its largest business a month after announcing a £20m restructuring programme to address the division's weak revenues.

The FTSE 250-listed engineer said in a statement on Monday that it has been "reviewing all strategic options" for its aerostructures business, but noted this was at an early stage and there was no certainty it will lead to a transaction.

READ: Senior kicks off £20m restructuring programme after weak performance

Reports surfaced on Friday suggesting that Senior was working with adviser Lazard to reach out to buyout firms and aerospace companies over the potential divestment, with a view to seeking as much as £450m for the division.

Senior said that its aerostructure unit, which supplies components for airplanes, accounting for about 39% of overall revenue, was in trouble back in November from the weakening aerostructures markets.

At the time, it announced a £20m restructuring programme to address low revenues at the aerospace divisions, as well as Flexonics, which included plans to reduce staff headcount, transfer major work packages to South East Asia and close a South Carolina plant by early 2020.

Since September, Senior has sold two non-core businesses, which accounted for less than 2% of 2018 group revenue, which added slightly to its 2019 adjusted earnings.

"It is Senior's policy to review its portfolio on an ongoing basis and evaluate all its operating businesses in terms of their strategic fit within the group," said the firm on Monday.

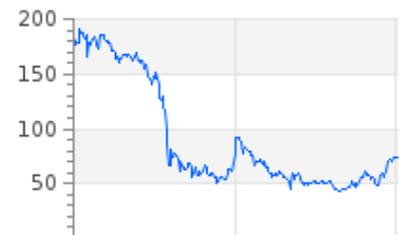
However, a final decision hasn't been made and Senior may still decide to keep the unit.

Shares were up 6% at 188p in mid-morning trading on Monday.

Price: 71.9

Market Cap: £301.56 m

1 Year Share Price Graph



December 2019 June 2020 November 20

Share Information

Code: SNR

Listing: LSE

52 week	High	Low
	192.7	41

Sector: Manufacturing & engineering

Website: www.seniorplc.com

Company Synopsis:

Senior is an international manufacturing group with operations in 11 countries. Senior designs, manufactures and markets high technology components and systems for the principal original equipment producers in the worldwide civil aerospace, defence, diesel engine, exhaust system and energy markets.

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