Airbus and BAE Systems supplier bought by Italian aerospace group

A Gloucestershire manufacturing group that supplies components to aerospace and defence giants such as Airbus and BAE Systems has been acquired by an Italian multinational.

Five Valleys Aerospace – a holding company of two businesses Nu-Pro and Stanmar – has been bought by Magnaghi Aeronautica Group (MA Group) for an undisclosed sum.

Stroud-based Nu-Pro provides metal finishing services while Stanmar, located at Bamfurlong Industrial Park in Cheltenham, specialises in parts used in aircraft landing gear.

The MA group, headquartered in Naples, was founded in 1936 to support the flight activities of the Italian Air Force. The company also has sites in Brazil and the US and develops landing systems for Airbus and Boeing aircraft.

Magnaghi (UK) chairman Alberto de Benedictis said the UK aerospace market offered “major opportunities”.

He said the firm was interested in a number of British programmes, including the Tempest combat aircraft being developed by BAE Systems, Rolls Royce, Leonardo and MBDA for the Royal Air Force, as a replacement for the Typhoon fighter craft.

Mr de Benedictis said: “The acquisition of Five Valleys Aerospace is just the first step in our journey to become a major player in the market as a supplier of engineering capability and components for the aerospace sector. We intend to expand our presence not only in the UK market but also the UK export market.”

Law firm Foot Anstey, which advised The MA group on the deal, said the purchase would help strengthen the firm's stake in the European market, as well as expand its global presence.

According to the last set of accounts filed on Companies House for Five Valleys Aerospace, for the year ending March 31, 2021, consolidated group sales dipped to £8.5m from £9.9m in 2020. Bosses said both its businesses felt the impact of the Covoid-19 pandemic on the aerospace industry.

Despite turnover decreasing, group gross profit rose by 12% in 2021 to £1.27m. The board said this was a result of improved production efficiency in Nu-Pro's machining division, arising in higher sales and investment in new equipment.

The company received furlough income of £0.15m during the period, which was offset in part by the cost of redundancy payments to staff, culminating in a group operating loss of £0.22m, with a narrowed group pre-tax loss of £0.35m.

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