

MagneticMRO

When BaltCap acquired Magnetic MRO (formerly Air Maintenance Estonia) in 2010 from SAS, the company focused on a limited scope of services and related-party customers. BaltCap saw an opportunity to develop an independent, leading aircraft MRO company in the region, supported by the industry trend of outsourcing maintenance.

Under BaltCap's ownership the company upgraded its strategy to become a total technical care provider for commercial airlines, bolstered by a new management team. Its service capacity more than tripled, with two new hangars that were purpose-built by Tallinn Airport. Magnetic MRO also launched several new business areas, including aircraft interior design and manufacturing, engine maintenance, component support and a part-out business.

In early 2018, BaltCap sold Magnetic MRO to Chinese group Guangzhou Hangxin Aviation Technology.

What did the business need?

- A clear strategic vision
- Enhanced service portfolio in order to provide total technical care
- Management team with an entrepreneurial mindset

How did private equity backing create lasting value?

- Clearly repositioned service portfolio to create a total technical care provider for commercial airlines
- Supported the revamp of production facilities in Tallinn Airport

Country	Estonia
Region	Eesti
Investor	BaltCap

9x
revenue and profitability
growth 2010–18

280
professionals added 2010–18



BaltCap gave the management team freedom to execute an aggressive business plan, while providing strategic support through financing and global partnerships.

JONAS BUTAUTIS
Chairman
Magnetic MRO

- Acquired of MAC Interiors in the UK to expand business lines
- Invested to launch engine maintenance, stands rental and aircraft part-out businesses

What outcomes did private equity investment achieve?

- Transformed a small regional player into a profitable global company
- Grew revenue and profitability ninefold
- Increased employees from 160 to 440
- Built business that won 'Company of the Year' and 'Exporter of the Year' from Enterprise Estonia
- Created company of strategic interest to Asian trade buyer

More information

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