

## **MEDIA RELEASE**

Winterthur, November 26, 2010

Page 1 of 3

**Sulzer Ltd**  
Corporate Communications  
Investor Relations  
8401 Winterthur, Switzerland  
Phone +41 52 262 72 72  
Fax +41 52 262 00 25

Major new pumps facility in China and site expansion in Russia

## **Sulzer Further Strengthens its Presence in Emerging Markets with Significant Green-Field Investments**

**With two openings in China and Russia this week, Sulzer has made important steps in the implementation of its strategy to strengthen its presence in emerging markets. In Suzhou, China, the company invested around CHF 30 million in the expansion of its global manufacturing network. The new state-of-the-art factory for engineered pumps mainly focuses on the oil and gas and the power generation market segments. Additionally, with the expansion of its engineering and manufacturing facility for separation technology in Serpukhov, Russia, Sulzer is strengthening its customer focus in the relevant Russian and in Eastern European markets.**

With Sulzer Pumps' CHF 30 million investment in a new state-of-the-art pump factory in Suzhou, about 100 kilometers west of Shanghai, Sulzer is bringing its most advanced engineered pump technology to China. The new wholly owned pump factory was officially opened on Wednesday by Kim Jackson, Division President Sulzer Pumps, with more than 300 customers and government officials.

### **Continuous expansion of Sulzer's position in China**

As part of the global network, the Suzhou factory, with 110 employees, will manufacture engineered pumps and focuses on meeting the growing demand in China in the oil and gas and the power generation industries. The new factory integrates best practices from other major Sulzer Pumps factories, ensuring competitive operational excellence, meeting Sulzer's global standards for high quality, with reliable delivery times. A key element is a test-bed with eight stations and a total power supply of 15 MW, which draws on the expertise from the most advanced test-bed within Sulzer Pumps, located in Leeds, UK. Engineering and procurement teams are already working on several major orders and manufacturing also started recently. An ISO

## **MEDIA RELEASE**

Winterthur, November 26, 2010

Page 2 of 3 / Sulzer Further Strengthens its Presence in Emerging Markets with Significant Green-Field Investments

certification process is currently ongoing and ISO certification is expected early next year.

The various divisions of Sulzer have continuously expanded their presence in China over the last few years and currently employ over 1000 people. Sulzer has a multitude of sales and service locations and is now active with three main manufacturing plants: in Dalian for Sulzer Pumps for the hydrocarbon processing and the pulp and paper markets, in Shanghai for Sulzer Chemtech's separation technology, and now in Suzhou, also for pumps. Based on strong growth over the last two decades, China has become one of Sulzer's key markets and offers good prospects for further expansion.

### **Substantial increase of production capacity in Russia**

With the expansion of its engineering and manufacturing facility for separation technology in Serpukhov, Russia, Sulzer Chemtech has increased its local production capacity substantially and is strengthening its customer focus in the Russian and Eastern European markets. The expanded facility was officially opened on Thursday by Sulzer CEO Ton Büchner, with over 100 customers and government officials in attendance.

The decision to invest in an engineering and manufacturing facility of the Sulzer Chemtech division in Serpukhov was taken in early 2007. Located 80 km south of Moscow, it mainly produces structured packings, internals, and trays for thermal separation, which are widely used in the hydrocarbon processing as well as in the oil and gas industries. Focused investments in a significant expansion of the manufacturing space, in the required infrastructure and in additional high-technology equipment, have now broadened the range of products that can be manufactured locally and increased the flexibility. Continuous technology transfers are ongoing and the organization has a strong competence in project management, engineering and field services.

Russia offers substantial growth potential for Sulzer, particularly in the oil and gas, hydrocarbon processing, and power generation markets. Sulzer Chemtech's Serpukhov site works in close cooperation with its regional

## **MEDIA RELEASE**

Winterthur, November 26, 2010

Page 3 of 3 / Sulzer Further Strengthens its Presence in Emerging Markets with Significant Green-Field Investments

customers. All four Sulzer divisions are active in Russia and are expanding their network of sales offices, service centers and customer support activities.

*Sulzer was founded in 1834 in Winterthur, Switzerland, and today is active in machinery and equipment manufacturing and surface engineering at over 120 locations worldwide. The divisions are global leaders in their respective customer segments, which include the oil and gas, hydrocarbon processing, power generation, pulp and paper, aviation, and automotive industries. [www.sulzer.com](http://www.sulzer.com)*

### ***Inquiries:***

*Media Relations: Verena Gölkel, Media Spokesperson*

*Phone +41 52 262 26 82, Fax +41 52 262 00 25, [news@sulzer.com](mailto:news@sulzer.com)*

*Investor Relations: Philippe Dewitz, Head of Investor Relations*

*Phone +41 52 262 20 22, Fax +41 52 262 00 25, [investor.relations@sulzer.com](mailto:investor.relations@sulzer.com)*

*This document may contain forward-looking statements including, but not limited to, projections of financial developments, market activity, or future performance of products and solutions containing risks and uncertainties. These forward-looking statements are subject to change based on known or unknown risks and various other factors that could cause actual results or performance to differ materially from the statements made herein.*