

Media Release of March 11, 2016

Burckhardt Compression to Acquire Majority Stake in Leading Chinese Reciprocating Compressor Manufacturer Shenyang Yuanda Compressor Co., Ltd.

Burckhardt Compression signed on March 10, 2016, the agreement to acquire a 60% stake in Shenyang Yuanda Compressor Co., Ltd., the leading reciprocating compressor manufacturer in China. Shenyang Yuanda Compressor Co., Ltd. achieved sales of CHF 110 million in 2015 with 650 employees. With this acquisition Burckhardt Compression gains local market reach in additional market segments, expands its product portfolio to cover the diverse market requirements and gets direct access to a well-established local supply chain. Closing is scheduled to take place in April/May 2016. Both parties agreed not to disclose any further terms of the acquisition agreement.

On March 10, 2016 Burckhardt Compression signed an agreement for the acquisition of a 60% stake in Shenyang Yuanda Compressor Co., Ltd. (Shenyang Yuanda) with Mr. Ren Xiwen, the majority shareholder and founder of the company. Closing of the transaction is expected in April/May 2016. Shenyang Yuanda, established in 1997, is the leading reciprocating compressor manufacturers in China fully focused on the development, manufacturing and service of reciprocating compressors.

Strong position in the world's largest market for reciprocating compressors

"Shenyang Yuanda as the leading reciprocating compressor manufacturer in China provides an excellent strategic fit for Burckhardt Compression" said Marcel Pawlicek, CEO of Burckhardt Compression. "The intended acquisition strengthens our position in China covering local market segments like Refinery or Coal Chemical with well positioned product lines on top of Burckhardt Compression's current business in China. We also get sourcing access to an established local supplier base and to a local vertical-integrated manufacturing including an own foundry. On the other side we can support Shenyang Yuanda to develop faster the service business in China. The complementary positioned product portfolio and the resulting opportunities in the global market will have a positive impact on the different manufacturing locations of Burckhardt Compression."

Excellent opportunities for the business outside China

"The combination of our strengths plus the leading technology and experience from Burckhardt Compression opens further business potential for us in and outside of China" said Ren Xiwen, President and founder of Shenyang Yuanda. "Especially our high speed reciprocating compressors are a perfect extension of Burckhardt Compression's product lines and opens new business opportunities for its new equipment and service business outside China."

Value creating acquisition

With the acquisition of the leading reciprocating company in China Burckhardt Compression gains local market reach in additional market segments, expands its product portfolio to cover the diverse market requirements and gets direct access to a well-established local supply chain.

After closing of the transaction, Shenyang Yuanda and its brand will remain and will be part of the Burckhardt Compression Group. Ren Xiwen, President and founder of Shenyang Yuanda will remain General Manager and a board member of Shenyang Yuanda.

About Burckhardt Compression

Burckhardt Compression is one of the worldwide market leaders in the field of reciprocating compressors and the only manufacturer that covers a complete range of reciprocating compressor technologies. Its customized compressor systems are used in the upstream oil & gas, gas transport and storage, refinery, chemical, petrochemical and industrial gas sectors. Burckhardt Compression's leading technology, high-quality compressor components and the full range of services help customers to minimize life cycle costs of their reciprocating compressor systems around the world. Since 1844 its highly skilled workforce has crafted superior solutions and set the benchmark in the gas compression industry.

Further inquiries:

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