

First Half Year Results 2008

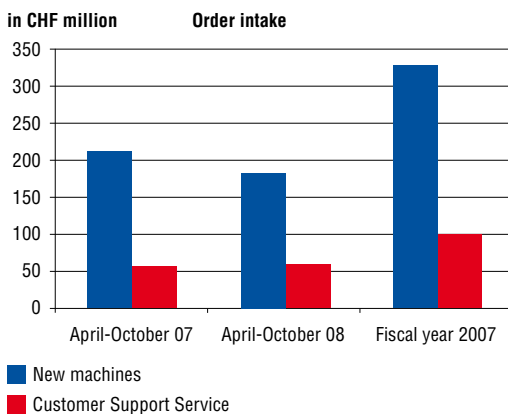
Dear Shareholders

It is our pleasure to present you with another positive half-year report. Business activity in our key markets remains strong and Burckhardt Compression's first-half results show no spillover from the crisis on world financial markets.

Order intake in line with expectations – very good monthly intake in October

As expected, order intake in the first half of fiscal year 2008 was below the peak level reached in the first half of last year, declining by 21% to CHF 197.0 million. New orders of CHF 44.5 million in October marked the second highest monthly intake in fiscal year 2008.

At the current time we expect total order intake up to the end of fiscal year 2008 in anticipation of several major projects to be comparable to the level reached in the previous year.



Orders for new machines were down 26% in a year-over-year comparison but were 18% higher compared to the second half of fiscal year 2007.

Order intake in the CSS business declined 4% compared to the prior-year figure since fewer large orders for spare parts were received during the first half of fiscal year 2008. Currency fluctuations and acquisitions only had a minimal impact on order intake.

Key figures

in CHF million	April-Sept. 2008	April-Sept. 2007	Change 2007/2008	Fiscal year 2007
Order intake	197.0	250.7	-21%	426.7
- New machines	148.6	200.1	-26%	326.5
- CSS ¹⁾	48.4	50.6	-4%	100.2
Sales	207.0	182.4	13%	368.0
Gross profit	67.6	63.0	7%	136.6
Operating income (EBIT)	43.3	42.2	3%	89.8
Profit for the period	33.1	32.8	1%	68.0
Balance sheet total	358.6	314.5 ²⁾	15%	359.7 ²⁾
Shareholders' equity	170.9	133.1 ²⁾	28%	165.5 ²⁾
Earnings per share (in CHF)	9.73	9.66	1%	20.00
Headcount as per 30.9./31.3.	881	772	14%	819

¹⁾ Customer Support Service

²⁾ Restated (see item 1, Notes to the unaudited Group accounts)

Capacity expansion has a noticeable effect

BC Group sales increased by 13% to CHF 207.0 million compared to the first half of last year. This corresponds to 78% of the full-year sales reported in fiscal year 2006 and attests to the significant increase in our capacity over the past 18 months. Gross profit rose 7% to CHF 67.6 million, which translates into a gross profit margin of 32.7% (previous-year period 34.5%). The decline in the gross profit margin is attributable to the greater share of new machine sales with lower gross margins than in the CSS business as well as the greater share of auxiliary components within the new machine business. Selling and administrative expenses rose by 17% compared to the first half of 2007 owing to initial investment in the future growth of our business. Operating income in the first half of fiscal year 2008 amounted to CHF 43.3 million, an increase of 3% over last half year's operating income. This resulted in an EBIT margin of 20.9%, 2.2 percentage points less than in the comparable period of the previous year. Profit for the period and earnings per share increased by 1%.

Supply situation remains tight

Despite the slower pace of economic growth there is still no sign of any easing in the supply markets relevant to Burckhardt Compression. Although prices for nickel and scrap steel plummeted during the past several months, our suppliers are still operating at high capacity utilization levels and, therefore, not yet willing to adjust their selling prices to reflect the reduced level of raw material input costs. We are taking action to remedy this situation.

Plant expansion in Winterthur

Building permit applications to enlarge the company's main manufacturing facility in Winterthur were filed in recent months. This plant expansion will allow us to consolidate various make-shift arrangements and ensure the company also has sufficient permanent space and it will additionally improve efficiency. The new premises should be operational by the end of 2009.

Workforce expansion proceeding as planned

Burckhardt Compression increased its headcount to 881 during the preceding six months. This represents an increase of 62 compared to March 2008. Our project management capacity is now in a position to handle a sustained increase in new machine project volumes.

Outlook remains positive

The investment activity of our customers in all four market segments remains high. We currently see no slowdown in project business for new machines nor in the services segment and, therefore, anticipate that order intake for the entire 2008 fiscal year will approach the record-high level achieved in the previous year.

With regard to the anticipated 2008 sales and operating results, we reiterate the guidance given during the release of fiscal year 2007 results. We expect sales to exceed CHF 415 million and EBIT and net profit to reach the previous year's levels. Gross profit and operating income in the previous year were buoyed by non-recurring income of CHF 7.1 million, so the projected operating results for the current fiscal year represent a satisfying improvement in our operating performance.

Burckhardt Compression boasted a considerable order backlog at the end of September 2008. Most of the projected sales of new machines in fiscal year 2009 are already secured with our current order backlog. Since advance payments are required

when placing orders, it is seldom for orders to be subsequently cancelled. We therefore assume that sales in fiscal year 2009 will exceed the anticipated level for fiscal year 2008 and that operating income will correspond to 18-20% of sales. It is currently difficult to project order intake in fiscal year 2009 and beyond. What consequences the events of the past several months will have on investment activity in our markets will become clear in the coming months

Share buyback program

The Board of Directors of Burckhardt Compression has decided to repurchase up to 170,000 shares or 5% of all outstanding shares over the next 12 months. Shares held by the company may be used by the Board of Directors for acquisitions.

Thank you

The Board of Directors and the Executive Board thank all employees for their extraordinary commitment and hard work during the past half year. Our goal is to remain, as a financially sound and profitable enterprise, a partner that our customers, suppliers, employees and shareholders can rely on.

Yours sincerely,



Hans Hess
Chairman of the
Board of Directors



Valentin Vogt
CEO & Executive Member
of the Board of Directors

Winterthur, November 7, 2008

IR calendar:

09.06.2009	2008 Annual Results Media and Analysts' Conference
04.07.2009	Annual General Meeting

Condensed income statement

in CHF million	First half 2008 April – Sept. 2008	First half 2007 April – Sept. 2007	Fiscal year 2007 April 2007 – March 2008
Sales	207.0	182.4	368.0
Cost of goods sold	-139.4	-119.4	231.4
Gross profit	67.6	63.0	136.6
Selling, marketing and general administrative expenses	-21.3	-18.2	-39.6
Research and development expenses	-3.2	-3.1	-6.9
Other operating income/expenses	0.2	0.5	-0.3
Operating income (EBIT)	43.3	42.2	89.8
Finance costs	-0.3	1.0	-0.8
Other financial income	0.7	0.0	0.1
Profit before income taxes	43.7	43.2	89.1
Income tax expense	-10.6	-10.3	-21.1
Profit for the period (before minority interests)	33.1	32.9	68.0
Minority interests	0.0	-0.1	0.0
Profit for the period (after minority interests)	33.1	32.8	68.0
Basic earnings per share (in CHF)	9.73	9.66	20.0
Diluted earnings per share (in CHF)	9.73	9.66	20.0

Condensed balance sheet

in CHF million	First half 2008 30.09.08	First half 2007 30.09.07 ¹⁾	Fiscal year 2007 31.03.2008 ¹⁾
Non-current assets:			
Intangible assets	31.5	33.9	31.8
Property, plant and equipment	39.1	28.4	32.9
Financial assets	2.7	3.5	6.0
Deferred tax assets	0.9	1.1	0.6
Total	74.2	66.9	71.3
Current assets:			
Inventories	118.7	103.5	112.1
Trade and other receivables	93.8	76.0	86.7
Marketable securities	5.5	4.9	30.6
Cash and cash equivalents	66.4	63.2	59.0
Total	284.4	247.6	288.4
Total assets	358.6	314.5	359.7
Total equity	170.9	133.1	165.5
Liabilities:			
Non-current liabilities	25.6	19.0	26.6
Current borrowings	4.6	3.0	4.4
Other current liabilities	157.5	159.4	163.2
Total	187.7	181.4	194.3
Total equity and liabilities	358.6	314.5	359.7

¹⁾ Restated (see item 1, Notes to the unaudited Group accounts)

Condensed cash flow statement

in CHF million	First half 2008 April – Sept. 2008	First half 2007 April – Sept. 2007	Fiscal year 2007 April 2007 – March 2008
Cash flow from operating activities:			
Operating income	43.3	42.2	89.8
Depreciation and amortization	3.3	2.5	5.4
Change in net current assets and provisions	-21.8	-8.1	-15.9
Net interest and tax paid	-13.8	-5.4	-12.4
Total	11.0	31.2	66.9
Cash flow from investing activities:			
Acquisition/disposal of intangible assets, property, plant and equipment	-9.3	-9.6	-16.8
Acquisition/disposal of subsidiaries	0.0	-4.2	-15.1
Purchase/sale of financial assets and marketable securities	25.0	0.6	-25.8
Total	15.7	-13.2	-57.7
Cash flow from financing activities:			
Increase in borrowings	0.7	0.2	5.8
Dividends paid	-20.4	-10.3	-10.3
Total	-19.7	-10.1	-4.5
Currency translation differences	0.4	0.2	0.0
Net change in cash and cash equivalents	7.4	8.1	3.9
Cash and cash equivalents at 01.04./31.03.	59.0	55.1	55.1
Cash and cash equivalents at 30.09./31.03.	66.4	63.2	59.0

Condensed statement of shareholders' equity

First half 2007 (April 2007 – Sept. 2007)

in CHF million	Attributable to the shareholders of Burckhardt Compression Holding AG				Minority interests	Total
	Share capital	Reserves	Retained earnings	Total		
Total equity at 31.03.07	8.5	-0.7	97.7	105.5	2.8	108.3
Adjustment for first-time application of IFRIC 14 ¹⁾			1.6	1.6		1.6
Total equity at 1.04.07 ¹⁾	8.5	-0.7	99.3	107.1	2.8	109.9
Cash flow hedges, net of tax		-0.1		-0.1		-0.1
Currency translation differences		0.6		0.6	0.1	0.7
Income and expenses recognized directly in equity		0.5	0.0	0.5	0.1	0.6
Profit for the period April – Sept. 2007			32.8	32.8	0.1	32.9
Total recognized income for the period April – Sept. 2007		0.5	32.8	33.3	0.2	33.5
Dividends			-10.2	-10.2	-0.1	-10.3
Total equity as of 30.09.07	8.5	-0.2	121.9	130.2	2.9	133.1

First half 2008 (April 2008 – Sept. 2008)

in CHF million	Attributable to the shareholders of Burckhardt Compression Holding AG				Minority interests	Total
	Share capital	Reserves	Retained earnings	Total		
Total equity as of 31.03.08	8.5	5.4	150.0	163.9	0.0	163.9
Adjustment for first-time application of IFRIC 14 ¹⁾			1.6	1.6		1.6
Total equity at 1.04.08	8.5	5.4	151.6	165.5	0.0	165.5
Cash flow hedges, net of tax		-7.7		-7.7		-7.7
Currency translation differences		0.4		0.4		0.4
Income and expenses recognized directly in equity		-7.3	0.0	-7.3	0.0	-7.3
Profit for the period April – Sept. 2008			33.1	33.1		33.1
Total recognized income for the period April – Sept. 2008		-7.3	33.1	25.8	0.0	25.8
Dividends			-20.4	-20.4		-20.4
Total equity as of 30.09.08	8.5	-1.9	164.3	170.9	0.0	170.9

1) Restated (see item 1, Notes to the unaudited Group accounts)

Notes to the unaudited Group accounts for the first half of fiscal year 2008

1. Basis of presentation

The presentation and disclosure of this unaudited financial report correspond with International Financial Reporting Standards (IFRS) in accordance with IAS 34, Interim Financial Reporting, and the accounting principles set out in the 2007 annual report. The accounting principles given in the 2007 annual report were augmented with the new IFRIC 11, IFRIC 12 and IFRIC 14 Interpretations. The application of IFRIC 11 (Group and Treasury Share Transactions) and IFRIC 12 (Service Concession Arrangements) has no effect on the present interim accounts. The new standard IFRIC 14 (The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction) required a restatement of the respective previous-year figures. Total equity as of April 1, 2007 was adjusted accordingly by CHF 1.6 million (after consideration of CHF 0.4 million in provisions for deferred taxes). No restatements were necessary in the income statement.

2. Significant changes in the scope of consolidation

There were no significant changes in the scope of consolidation during the period under review.

3. Events after the balance sheet date

No events have occurred subsequent to the balance-sheet date that would have a material effect on the half-year accounts. The condensed version of the consolidated interim report was approved for publication by the Board of Directors on November 7, 2008.

4. Sales and gross profit

in Mio. CHF		Half-year 2008 April – Sept. 2008	%	Half-year 2007 April – Sept. 2007	%	Fiscal year 2007 April 2007– March 2008	%
New machines	Sales	166.1		138.7		275.0	
	Gross profit	47.6	28.7	43.1	31.1	94.6	34.4
CSS ¹⁾	Sales	40.9		43.7		93.0	
	Gross profit	20.0	48.9	19.9	45.6	42.0	45.2
Total	Sales	207.0		182.4		368.0	
	Gross profit	67.6	32.7	63.0	34.5	136.6	37.1

¹⁾ Customer Support Service

This document may contain forward-looking statements, including but not limited to projections of financial results and statements about potential future developments regarding materials and products. These statements are subject to risks and uncertainties and may be modified if the projected results or developments described herein are influenced by known or unknown risks and other factors. The interim 2008 report was also published in German and can also be downloaded from our website at www.burckhardtcompression.com/finanzberichte. The original version is German.

About Burckhardt Compression

Burckhardt Compression is one of the market leaders in the field of reciprocating compressor technology and the only manufacturer that offers a complete range of Laby® (labyrinth piston), process gas, and hyper compressors. These compressors are used in a wide range of applications in the chemical and petrochemical industry, in refineries, in air separation systems, and for gas transport and storage. Burckhardt Compression products are used to compress, cool or liquefy gas, for example hydrocarbon or industrial gases.

Its customers include multinational companies in the oil, gas, petrochemicals and chemicals industries. In addition to its thriving new installation business, a major driver of the company's success is its global service network, which generates a substantial share of the company's sales. This global network enables Burckhardt Compression to offer comprehensive customer support services, such as delivery of top-quality components, servicing of compressor valves, complete system overhauls, engineering services and the fulfillment of comprehensive maintenance contracts.

Burckhardt Compression Holding AG
Im Link 5
8404 Winterthur
Switzerland

Contact: Rolf Brändli, CFO
Telephone: +41 (0)52 262 55 00
Fax: +41 (0)52 262 04 08
E-mail: rolf.braendli@burckhardtcompression.com
Internet: www.burckhardtcompression.com