



FIRST-HALF RESULTS FOR FISCAL YEAR 2017

Compressors for a Lifetime™

RESULTS FOR THE FIRST HALF OF 2017

SLIGHTLY LOWER ORDER INTAKE – RENEWED SALES GROWTH – LOWER OPERATING INCOME – NET INCOME SLIGHTLY BELOW YEAR-AGO LEVEL – GUIDANCE FOR THE FULL FISCAL YEAR CONFIRMED

DEAR SHAREHOLDERS

The first six months of the fiscal year 2017 unfolded as forecast at the end of the fiscal year 2016. Order intake during the first half year (April to September) was slightly below the prior-year figure, while sales increased in both divisions. Operating income for the first half declined by CHF 3.2 mn compared to the prior-year period and net income was down by CHF 1.3 mn. Ongoing cost-cutting programs and the integration of recent acquisitions are progressing as planned. Management guidance for the entire fiscal year remains unchanged.

Divergent developments

Consolidated order intake for the first six months of the current fiscal year amounted to CHF 212.6 mn, or 4.5% less than in the prior-year period.

Orders received in the Systems Division declined by 4.8% to CHF 117.7 mn amid a highly competitive market environment. Order activity in the division's targeted market segments varied. In the gas transport and storage market, incoming orders for marine compressors remained at a low level. Meanwhile, orders in the petrochemical & chemical and refinery segments continued to climb. For the first time in quite some time, a Hyper Compressor project including a booster primary was tendered in the petrochemicals segment and Burckhardt Compression was pleased to win this contract. Business in China was pleasing; thanks to the acquisition of Shenyang Yuanda Compressor, we were able to strengthen our leading position in this target market.

Order intake at the Services Division amounted to CHF 94.9 mn. This is slightly below (–4.3%) the high figure reported for the prior-year period and can be traced to a drop in demand for spare parts. Demand for services remained strong as before. The acquisition of the Canadian firm CSM Compressor Supplies & Machine Work Ltd. in Edmonton and the collaboration with Kompressortechnik ML AB in Ludvika, Sweden, strengthened the Services Division's local presence in markets with good growth potential. Arkos Field Services in Texas (minority shareholding) profited as business in the upstream market recovered.

Key figures

in CHF 1'000	April–Sept. 2017	April–Sept. 2016	Change 2017/2016	Fiscal year 2016
Order intake	212'646	222'754	–4.5%	474'885
– Systems Division	117'702	123'593	–4.8%	280'576
– Services Division	94'944	99'161	–4.3%	194'309
Sales ¹	287'007	269'609	6.5%	557'725
Gross profit ¹	54'927	61'647	–10.9%	130'537
Operating income (EBIT) ¹	12'780	16'030	–20.3%	47'729
Net income ¹	8'697	9'963	–12.7%	32'453
Total assets ¹	749'502	799'088	–6.2%	810'965
Total equity ¹	309'615	301'044	2.8%	317'103
Earnings per share (in CHF) ¹	2.37	2.61	–9.3%	9.12
FTEs as per Sept. 30 / March 31	2'192	2'071	5.8%	2'107

¹ in accordance with Swiss GAAP FER

Accounting standards changed to Swiss GAAP FER

During the presentation of its results for fiscal year 2016, Burckhardt Compression announced that it would switch its accounting standards from IFRS to Swiss GAAP FER beginning with the 2017 fiscal year. For comparison purposes, the balance sheet and income statement for the prior-year period have been restated in accordance with Swiss GAAP FER.

Sales continue to grow

Group sales rose by 6.5% year-on-year to CHF 287.0 mn during the first half. First-half sales at the Systems Division amounted to CHF 117.7 mn, which topped the figure of CHF 114.2 mn reported for the prior-year period by 3.5%. In the Services Division, sales climbed 13.0% year-on-year to CHF 94.2 mn.

Gross profit slightly lower

Consolidated gross profit for the first half of the fiscal year amounted to CHF 54.9 mn (prior-year period: CHF 61.6 mn), resulting in a gross profit margin of 19.1% (prior-year period: 22.9%). Gross profit in the Systems Division was down 34.5% to CHF 11.4 mn, resulting in a gross profit margin of 5.9% (prior-year period: 9.4%). This contraction is largely attributable to an unfavorable product mix, the completion of several strategic projects with very low margins and underutilized production capacity. Gross profit in the Services Division was virtually unchanged (–1.6% to CHF 43.5 mn), bringing the gross profit margin of 46.2% for the period well below the level reported for the first half of fiscal year 2016 (53.0%) because of the changed product mix.

Lower operating income – slightly lower net income

Selling, marketing and general administrative expenses totaled CHF 40.8 mn, which is CHF 0.7 mn or 1.7% less than in the prior-year period. Research and development expenses of CHF 3.8 mn were CHF 0.6 mn less than in the prior-year period. Other operating income and expenses of CHF 2.5 mn are well above the comparable year-ago figure of CHF 0.3 mn. The increase largely reflects exchange-rate fluctuations.

Group operating income (EBIT) for the first half amounted to CHF 12.8 mn, which corresponds to a decline of CHF 3.2 mn (–20.3%) compared to the prior-year period. This is largely attributed to the lower operating income reported by the Systems Division. The Group's EBIT margin for the period is 4.5% (5.9% in the prior-year period). In the Systems Division, operating income declined by CHF 3.7 mn to CHF –7.4 mn, resulting in a negative margin of –3.8% (prior-year period: –2.0%). The Services Division managed to increase its EBIT slightly by CHF 0.4 mn to CHF 22.3 mn, resulting in an EBIT margin of 23.7% (prior-year period: 26.3%). Group net income amounted to CHF 8.7 mn, a decline of CHF 1.3 mn from the prior-year period.

Cost-optimization efforts continue

Ongoing efforts to lower and optimize operating costs, ranging from value engineering to a greater emphasis on global procurement, are gaining traction as planned. The inauguration of a Global Support Center in India that will support Group activities around the world, primarily in the areas of engineering, IT and contracting, marks another step forward in the optimization of the company's cost base. Moreover, the first frame for one of Burckhardt Compression's process gas compressors was cast at Shenyang Yuanda Compressor's foundry during the period under review. This will reduce costs significantly in the future.

Change in balance sheet structure

Total assets at the end of September amounted to CHF 749.5 mn, which corresponds to a decline of CHF 61.5 mn or 7.6% compared to the figure reported at the end of the 2016 fiscal year. The main reasons for the decline were the smaller backlog of work in progress and a reduction in accounts receivable. The net financial position declined by CHF 8.3 mn compared to the end of the 2016 fiscal year. The decline includes the payment of the purchase consideration of the acquisition of CSM in Edmonton, Canada.

The equity ratio climbed from 39.1% (year-end fiscal 2016) to 41.3%.

Integration of acquisitions on track

The integration of Shenyang Yuanda Compressor is on track and will be concluded by the end of 2017. Technical collaboration with Arkos Field Services, the US company in which Burckhardt Compression holds a minority interest, is likewise progressing according to plan. In conformity with its strategic roadmap, Burckhardt Compression has strengthened its local footprint in the services business by acquiring the Canadian company CSM Compressor Supplies & Machine Work Ltd. in Edmonton in June and setting up a new partnership with Kompressor-technik ML AB in Sweden.

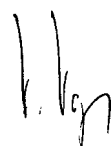
Outlook for the 2017 fiscal year confirmed

Our main target markets are expected to remain very challenging throughout the 2017 fiscal year, particularly in the marine compressor business within the gas transport and storage markets. From today's standpoint, the positive development in the Services Division is expected to continue, whereas the Systems Division is not expected to experience a positive trend in orders received until fiscal year 2018 at the earliest. Burckhardt Compression expects sales for the fiscal year 2017 at previous year level and an operating margin between 6% and 9%. Burckhardt Compression expects the EBIT margin to be higher from fiscal year 2018 on.

Thank you

The Board of Directors and the Executive Board thank all employees for their tremendous efforts. We are likewise grateful for the loyalty of our shareholders and our customers.

Yours sincerely,



Valentin Vogt
Chairman of the
Board of Directors



Marcel Pawlicek
CEO

Winterthur, November 7, 2017

IR calendar:

January 9, 2018	Investor Day
May 29, 2018	2017 Annual Report (as per March 31, 2017)
July 6, 2018	Annual General Meeting

CONSOLIDATED INCOME STATEMENT

in CHF 1'000	First half 2017 April–Sept. 2017	First half 2016 April–Sept. 2016	2016 fiscal year April 2016–March 2017
Sales	287'007	269'609	557'725
Cost of goods sold	-232'080	-207'962	-427'188
Gross profit	54'927	61'647	130'537
Selling and marketing expenses	-22'256	-24'663	-44'774
General and administrative expenses	-18'576	-16'844	-32'512
Research and development expenses	-3'808	-4'399	-8'795
Other operating income	18'005	14'751	27'221
Other operating expenses	-15'512	-14'462	-23'948
Operating income	12'780	16'030	47'729
Share of result of associates	-420	-734	-2'551
Financial result	-803	-1'536	-1'842
Profit before income tax	11'557	13'760	43'336
Income tax expenses	-2'860	-3'797	-10'883
Net income	8'697	9'963	32'453
Share of net income attributable to shareholders of Burckhardt Compression Holding AG	7'999	8'855	30'905
Share of net income attributable to non-controlling interests	698	1'108	1'548
Earnings per share in CHF	2.37	2.61	9.12
Diluted earnings per share in CHF	2.37	2.61	9.12

The consolidated accounts have been prepared in accordance with Swiss GAAP FER since April 1, 2017.
The previous periods have been restated accordingly to enable comparison with the current business period.

CONSOLIDATED BALANCE SHEET

in CHF 1'000	First half 2017 09/30/2017	First half 2016 09/30/2016	2016 fiscal year 03/31/2017
Non-current assets			
Intangible assets	9'968	12'010	11'767
Property, plant and equipment	198'158	202'598	200'379
Investments in associates	13'842	16'031	14'704
Deferred tax assets	7'355	6'090	6'622
Other financial assets	23'849	22'458	24'083
Total non-current assets	253'172	259'187	257'555
Current assets			
Inventories	216'780	249'967	250'232
Trade receivables	196'356	199'052	209'782
Other current receivables	18'502	18'428	15'326
Prepaid expenses and accrued income	3'216	2'677	3'178
Cash and cash equivalents	61'476	69'777	74'892
Total current assets	496'330	539'901	553'410
Total assets	749'502	799'088	810'965
Equity			
Share capital	8'500	8'500	8'500
Capital reserves	419	–	–
Treasury shares	–1'681	–1'364	–6'582
Retained earnings and other reserves	264'332	257'417	278'129
Equity attributable to shareholders of Burckhardt Compression Holding AG	271'570	264'553	280'047
Non-controlling interests	38'045	36'491	37'056
Total equity	309'615	301'044	317'103
Liabilities			
Non-current liabilities			
Long-term financial liabilities	67'385	59'192	71'825
Deferred tax liabilities	14'250	18'657	16'365
Non-current provisions	10'932	13'276	13'000
Other non-current liabilities	5'017	5'449	6'707
Total non-current liabilities	97'584	96'574	107'897
Current liabilities			
Current financial liabilities	69'607	78'617	70'310
Trade payables	53'006	54'810	59'980
Customers' advance payments	127'747	162'996	164'669
Other current liabilities	12'166	12'032	10'806
Accrued liabilities and deferred income	57'911	59'236	49'340
Current provisions	21'866	33'779	30'860
Total current liabilities	342'303	401'470	385'965
Total liabilities	439'887	498'044	493'862
Total equity and liabilities	749'502	799'088	810'965

The consolidated accounts have been prepared in accordance with Swiss GAAP FER since April 1, 2017. The previous periods have been restated accordingly to enable comparison with the current business period.

CONSOLIDATED CASH FLOW STATEMENT

in CHF 1'000	First half 2017 April–Sept. 2017	First half 2016 April–Sept. 2016	2016 fiscal year April 2016–March 2017
Cash flow from operating activities			
Net income	8'697	9'963	32'453
Income tax expenses	2'860	3'797	10'883
Financial result	803	1'536	1'842
Share of results of associates	420	734	2'551
Depreciation	8'573	8'085	16'471
Amortization	1'998	1'962	3'945
Change in inventories	35'050	11'544	12'829
Change in trade receivables	16'085	2'494	-7'610
Change in other current assets	-3'132	11'537	11'155
Change in trade payables	-7'272	-22'649	-18'137
Change in customers' advance payments	-36'514	12'978	14'222
Change in provisions	-3'744	83	-778
Change in other current liabilities	9'614	129	-10'940
Adjustment for non-cash items	4'486	-8'569	-6'609
Interest received	53	38	302
Interest paid	-926	-871	-2'068
Income taxes paid	-11'039	-3'470	-14'545
Total cash flow from operating activities	26'012	29'321	45'966
Cash flow from investing activities			
Purchase of property, plant and equipment	-6'350	-7'560	-14'489
Sale of property, plant and equipment	230	228	774
Purchase of intangible assets	-41	-330	-1'513
Sale of intangible assets	-	-	65
Acquisition of group companies net of cash acquired	-4'640	-129'585	-131'677
Total cash flow from investing activities	-10'801	-137'247	-146'840
Cash flow from financing activities			
Increase in financial liabilities	79	90'634	99'424
Decrease in financial liabilities	-5'150	-4'374	-9'648
Purchase of treasury shares	-	-	-4'917
Dividends paid	-23'624	-33'950	-33'950
Total cash flow from financing activities	-28'695	52'310	50'909
Currency translation differences on cash and cash equivalents	68	117	-419
Net change in cash and cash equivalents	-13'416	-55'499	-50'384
Cash and cash equivalents at beginning of period	74'892	125'276	125'276
Cash and cash equivalents at end of period	61'476	69'777	74'892
Net change in cash and cash equivalents	-13'416	-55'499	-50'384

The consolidated accounts have been prepared in accordance with Swiss GAAP FER since April 1, 2017. The previous periods have been restated accordingly to enable comparison with the current business period.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Capital reserves	Treasury shares	Hedge reserve	Translation reserve	Goodwill offset	Other retained earnings	Equity attributable to shareholders of Burckhardt Compression Holding AG	Non-controlling interests	Total equity
in CHF 1'000										
Balance at March 31, 2016 (IFRS)	8'500	-	-1'639	-4'671	-18'920	-	371'822	355'092	-	355'092
Swiss GAAP FER Adjustments	-	-	-	-	18'920	-20'460	19'161	17'621	-	17'621
Balance at April 1, 2016 (Swiss GAAP FER)	8'500	-	-1'639	-4'671	-	-20'460	390'983	372'713	-	372'713
Result for the period	-	-	-	-	-	-	8'855	8'855	1'108	9'963
Additions from acquisitions of subsidiaries	-	-	-	-	-	-	-	-	37'037	37'037
Currency translation differences	-	-	-	-	-6'706	-	-	-6'706	-1'654	-8'360
Changes of cash flow hedges	-	-	-	2'018	-	-	-	2'018	-	2'018
Dividends	-	-	-	-	-	-	-33'950	-33'950	-	-33'950
Changes in treasury shares	-	-	275	-	-	-	-	275	-	275
Share-based payments (allocated)	-	-	-	-	-	-	698	698	-	698
Goodwill on acquisition	-	-	-	-	-	-79'350	-	-79'350	-	-79'350
Balance at September 30, 2016 (Swiss GAAP FER)	8'500	-	-1'364	-2'653	-6'706	-99'810	366'586	264'553	36'491	301'044
Balance at March 31, 2017 (IFRS)	8'500	-	-6'582	-5'788	-23'057	-	338'779	311'852	45'337	357'189
Swiss GAAP FER Adjustments	-	-	-	-	22'064	-103'267	49'398	-31'805	-8'281	-40'086
Balance at April 1, 2017 (Swiss GAAP FER)	8'500	-	-6'582	-5'788	-993	-103'267	388'177	280'047	37'056	317'103
Result for the period	-	-	-	-	-	-	7'999	7'999	698	8'697
Currency translation differences	-	-	-	-	161	-	-	161	291	452
Changes of cash flow hedges	-	-	-	4'741	-	-	-	4'741	-	4'741
Dividends	-	-	-	-	-	-	-23'624	-23'624	-	-23'624
Share-based payments (distributed)	-	419	4'901	-	-	-	-5'320	-	-	-
Share-based payments (allocated)	-	-	-	-	-	-	2'809	2'809	-	2'809
Goodwill on acquisition	-	-	-	-	-	-563	-	-563	-	-563
Balance at September 30, 2017 (Swiss GAAP FER)	8'500	419	-1'681	-1'047	-832	-103'830	370'041	271'570	38'045	309'615

The consolidated accounts have been prepared in accordance with Swiss GAAP FER since April 1, 2017. The previous periods have been restated accordingly to enable comparison with the current business period.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

These unaudited consolidated interim financial statements, prepared in accordance with Swiss GAAP FER, were approved by the Board of Directors on November 3, 2017. This is an interim report pursuant to Swiss GAAP FER 31 "Complementary recommendations for listed companies."

Since the consolidated interim financial statements do not include all the information contained in consolidated annual financial statements, they should be read in conjunction with the consolidated annual financial statements for the year ended March 31, 2017. Until March 31, 2017, Burckhardt Compression prepared its interim and annual financial statements in accordance with IFRS (International Financial Reporting Standards). The accounting principles under Swiss GAAP FER applied in the preparation and presentation of these consolidated interim financial statements differ in the following respects from the accounting principles under IFRS used for the consolidated annual financial statements for the year ended March 31, 2017:

Goodwill and intangible assets from acquisitions Goodwill from acquisitions is directly offset, as at the acquisition date, with retained earnings in equity in accordance with the allowed treatment under Swiss GAAP FER 30 "Consolidated Financial Statements." Under IFRS, goodwill was capitalized and tested for impairment annually. Furthermore, under IFRS, all identifiable intangible assets (such as customer relationships, technologies and brands) were separately capitalized and amortized over their estimated economic useful lives. Under Swiss GAAP FER, Burckhardt Compression has decided not to separate and identify any unrecognized intangible assets as per acquisition date. They are therefore allocated to goodwill.

Goodwill included in associated companies Under IFRS, goodwill included in the purchase price of associated companies was part of the carrying amount of the associated companies. Burckhardt Compression has decided to offset such goodwill directly in equity as at the acquisition date under Swiss GAAP FER.

Pension benefit obligations and provisions Pursuant to Swiss GAAP FER 16 "Pension Benefit Obligations," an economic obligation or benefit from Swiss pension schemes is determined based on the financial statements of such pension schemes prepared in accordance with Swiss GAAP FER 26 "Accounting of Pension Plans." The economic impact from pension schemes of foreign subsidiaries is determined in accordance with accepted valuation methods. Under IFRS, pension benefit obligations were calculated in accordance with the projected unit credit method and recognized in accordance with IAS 19.

Provisions calculated under IAS 19 which are not retirement benefits in the narrower sense have been restated within provisions in accordance with Swiss GAAP FER 16, paragraph 6.

Development costs Under IFRS, development costs needed to be capitalized if the criteria of the standards were met. Burckhardt Compression has chosen to expense all development costs as incurred under Swiss GAAP FER.

Financial liability from Shenyang Yuanda put option As part of the agreement regarding the acquisition of 60% of the shares of Shenyang Yuanda Compressor Co. Ltd. (SYCC) in May 2016, Burckhardt Compression issued a put option on the remaining 40% of the shares of SYCC. In accordance with IFRS, the present value of the exercise price of the put option was accounted for as financial liability on Burckhardt Compression's balance sheet. Changes in the present value were accounted for as financial expense. Under Swiss GAAP FER, no such financial liability is recognized on Burckhardt Compression's balance sheet as this commitment does not meet the recognition criteria for a liability.

Deferred income taxes The above-mentioned valuation and balance sheet adjustments have effects on the deferred taxes in the balance sheet and in the income statement.

Translation differences As part of the changeover to Swiss GAAP FER, accumulated translation differences were offset against other retained earnings as of April 1, 2016.

The effects of the above-mentioned adjustments on equity and on net income are shown in the tables below.

EQUITY ADJUSTMENTS

in CHF 1'000	April 1, 2016	September 30, 2016	March 31, 2017
Equity according to IFRS	355'092	321'367	357'189
Swiss GAAP FER adjustments			
Offset goodwill from acquisitions	-19'802	-81'775	-85'191
Offset intangible assets from acquisitions	-552	-26'382	-25'391
Offset goodwill from associates	-272	-275	-283
Adjustment pension benefit obligations and provisions	49'257	42'504	16'855
Offset capitalized development costs	-1'124	-1'663	-2'109
Offset present value of exercise price of put option	-	51'636	54'669
Adjustment deferred tax assets and liabilities	-9'886	-4'368	1'364
Total adjustments	17'621	-20'323	-40'086
Equity according to Swiss GAAP FER	372'713	301'044	317'103

NET INCOME ADJUSTMENTS

in CHF 1'000	April 2016– September 2016	April 2016– March 2017
Net income according to IFRS	21'297	38'488
Swiss GAAP FER adjustments		
Adjustment amortization intangible assets from acquisitions	1'373	3'032
Adjustment pension benefit obligations and provisions	-16'734	-15'212
Adjustment capitalized development costs	-555	-1'015
Adjustment present value of exercise price of put option	943	3'976
Adjustment deferred tax income and expenses	3'639	3'184
Total adjustments	-11'334	-6'035
Net income according to Swiss GAAP FER	9'963	32'453

2. Segment reporting

	Systems Division			Services Division		
in CHF 1'000	HY 2017 April–Sept. 2017	HY 2016 April–Sept. 2016	FY 2016 April 2016–March 2017	HY 2017 April–Sept. 2017	HY 2016 April–Sept. 2016	FY 2016 April 2016–March 2017
Sales	192'809	186'235	367'190	94'198	83'374	190'535
Cost of goods sold	-181'374	-168'787	-330'702	-50'706	-39'175	-96'486
Gross profit	11'435	17'448	36'488	43'492	44'199	94'049
Gross profit as % of sales	5.9%	9.4%	9.9%	46.2%	53.0%	49.4%
Operating income	-7'398	-3'726	-1'472	22'337	21'946	53'011
Operating income as % of sales	-3.8%	-2.0%	-0.4%	23.7%	26.3%	27.8%

	Others			Total		
in CHF 1'000	HY 2017 April–Sept. 2017	HY 2016 April–Sept. 2016	FY 2016 April 2016–March 2017	HY 2017 April–Sept. 2017	HY 2016 April–Sept. 2016	FY 2016 April 2016–March 2017
Sales	–	–	–	287'007	269'609	557'725
Cost of goods sold	–	–	–	-232'080	-207'962	-427'188
Gross profit	–	–	–	54'927	61'647	130'537
Gross profit as % of sales	–	–	–	19.1%	22.9%	23.4%
Operating income	-2'159	-2'190	-3'810	12'780	16'030	47'729
Operating income as % of sales	–	–	–	4.5%	5.9%	8.6%

The consolidated accounts have been prepared in accordance with Swiss GAAP FER since April 1, 2017. The previous periods have been restated accordingly to enable comparison with the current business period.

3. Business combinations

CSM Compressor Supplies & Machine Work Ltd.

On June 23, 2017, Burckhardt Compression acquired CSM Compressor Supplies & Machine Work Ltd. (CSM), a Canadian company based in Edmonton and Drumheller. CSM has 35 years of experience in component supply and repair, focused on the upstream market. This purchase enables Burckhardt Compression Canada to establish a presence in the upstream compressor service market and, in parallel, offer comprehensive service to downstream customers.

The following table shows the fair value of assets and liabilities acquired at the acquisition date and the goodwill arising from this transaction.

in CHF 1'000	
Intangible assets	48
Property, plant and equipment	545
Inventories	1'664
Trade receivables	1'495
Prepaid expenses and accrued income	19
Trade payables	-124
Accrued liabilities and deferred income	-13
Net assets acquired at fair value	3'634
Goodwill	563
Total	4'197
Less cash and cash equivalents acquired	–
Net cash outflow on acquisition	4'197

The purchase price allocation for the acquisition of CSM is preliminary and is subject to changes as more detailed analysis is completed.

IKS Industrie- und Kompressorenservice GmbH

On October 4, 2016, Burckhardt Compression acquired 100% of the shares of IKS Industrie- und Kompressorenservice GmbH (IKS). IKS offers its clients a full range of compressor maintenance services. The acquisition of IKS made Burckhardt Compression a leading provider of reciprocating compressor services in German-speaking markets. In addition to its highly qualified service specialists, IKS has a well-established service network in Germany.

The following table shows the fair value of assets and liabilities acquired at the acquisition date and the goodwill arising from this transaction (restated under Swiss GAAP FER).

in CHF 1'000	
Intangible assets	22
Property, plant and equipment	170
Inventories	182
Trade receivables and other receivables	615
Non-current liabilities	-268
Current liabilities	-690
Net assets acquired at fair value	31
Goodwill	3'457
Total	3'488
Less cash and cash equivalents acquired	-
Less purchase price not yet paid	-1'396
Net cash outflow on acquisition	2'092

Shenyang Yuanda Compressor Co. Ltd.

On May 13, 2016, Burckhardt Compression Holding AG completed the acquisition of 60% of the shares of Shenyang Yuanda Compressor Co. Ltd., the leading manufacturer of reciprocating compressors in China. With this acquisition, Burckhardt Compression gained local market reach in additional market segments, expanded its product portfolio to cover the diverse market requirements and got direct access to a well-established local supply chain.

The following table shows the fair value of assets and liabilities acquired at the acquisition date and the goodwill arising from this transaction (restated under Swiss GAAP FER).

in CHF 1'000	
Intangible assets	306
Property, plant and equipment	39'601
Investments in associates	239
Inventories	64'511
Trade receivables and other receivables	100'419
Cash and cash equivalents	5'320
Non-current liabilities	-5'940
Current liabilities	-111'864
Net assets acquired at fair value	92'592
Non-controlling interests	-37'037
Goodwill	79'350
Total	134'905
Less cash and cash equivalents acquired	-5'320
Net cash outflow on acquisition	129'585

4. Events after the balance sheet date

There were no significant events after the balance sheet date.

ABOUT BURCKHARDT COMPRESSION

Burckhardt Compression is the worldwide market leader for reciprocating compressors systems. As single manufacturer and service provider that covers a complete range of reciprocating compressor technologies and services. 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.

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This document may contain forward-looking statements, including but not limited to projections of financial results, market activity and future product developments. 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.

The 2017 interim report is also available in German, and both versions can be downloaded from our website at www.burckhardtcompression.com/financial-reports. The German version takes precedence in the event of a conflict.



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