

Media Release of January 9, 2018

Burckhardt Compression presents its Mid-Range Plan – Systems Division will maintain its market leadership – growth will come from the Services Division

Burckhardt Compression, the world's leading manufacturer of reciprocating compressors, will provide detailed information on its Mid-Range Plan at its Investor Day scheduled for today. The Mid-Range Plan was approved by the Board of Directors in early December. Group strategy is largely predicated upon organic growth, to which the full integration and consolidation of Arkos Field Services and Shenyang Yuanda Compressors will contribute. Burckhardt Compression is aiming for approximately CHF 700 million in sales by fiscal year 2022, split fairly evenly between the two divisions, with an EBIT margin of 10 – 15%.

Systems Division: Defending its market leadership

Burckhardt Compression intends to maintain its global market leadership in the Systems Division. Sales for 2022 are projected to amount to CHF 340 million and the EBIT margin is expected to range between 0 – 5%. As a comparison, sales for the first half of 2017 amounted to CHF 192.8 million and the EBIT margin was -3.8%. Global sourcing will be intensified and cost-cutting programs continued. The division will also diversify its presence in the various market segments and introduce new applications.

Services Division: Doubling its sales

The Services Division intends to grow its sales to CHF 360 million by 2022. Its targeted EBIT margin ranges from 20% to 25%. In the first half of the fiscal year 2017, the division reported sales of CHF 94.2 million with an EBIT margin of 23.7%. Servicing the compressors of other manufacturers is a prime growth opportunity in this business. To ensure here continued success, Burckhardt Compression will launch further operational initiatives, implementing a global ERP platform, for example, or expanding its local and regional footprints and creating services structures geared to the maritime business. Moreover, digitization will be used to support new services and applications.

As communicated in November, Burckhardt Compression expects consolidated sales for fiscal year 2017 to reach the prior-year level and the EBIT margin to range between 6% and 9%.

The presentation for the Investor Day can be downloaded at:
www.burckhardtcompression.com/investorday

Further information:

Marcel Pawlicek, CEO
Tel.: +41 52 262 55 00
marcel.pawlicek@burckhardtcompression.com

About Burckhardt Compression

Burckhardt Compression is the worldwide market leader for reciprocating compressor systems and the only manufacturer and service provider that covers a full 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 the 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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For further information please visit www.burckhardtcompression.com
