

Media Release of November 25, 2019

Burckhardt Compression purchases remaining ownership of Arkos Field Services

Burckhardt Compression North America Services LLC, an indirect subsidiary of Burckhardt Compression, purchased the remaining 60% of Arkos Group LLC effective as of November 25, 2019. With this step, Arkos Group LLC, the parent company of Arkos Field Services, LP, will be a 100% subsidiary of Burckhardt Compression and will be fully consolidated as of November 25, 2019. The previous CEO and former majority owner of Arkos Group will leave the company but will continue to provide his services and expertise as a consultant to Arkos Field Services.

Burckhardt Compression initially acquired a 40% interest in Arkos Group in December 2015. On July 9, 2019, Burckhardt Compression announced to exercise a call option to buy an additional 20% stake in Arkos. During subsequent negotiations the parties agreed that Burckhardt Compression would purchase the remaining 60% of Arkos Group LLC. All legal formalities have been resolved, including the resolution of all legal disputes. Both parties agreed not to disclose any details of the settlement. Arkos Field Services will be fully consolidated as of November 25, 2019. Arkos, with a workforce of 230 employees, is a well-established U.S. compression and equipment service provider in the field of gas compression, generating revenues of approximately CHF 70 mn annually.

Unique one-stop-shop

With the purchase of the remaining ownership of Arkos, Burckhardt Compression together with Arkos Field Services will be the only independent one-stop provider for equipment and service in the upstream, midstream and downstream business. The US has the world's largest installed base of reciprocating compressors.

Full-year sales figure will increase

The previous estimate of Burckhardt Compression for full-year sales for fiscal year 2019 was ranged between CHF 600 mn and 640 mn and will increase for the fiscal year (per March 31, 2020) accordingly by approximately CHF 20 mn to CHF 30 mn. Burckhardt Compression still expects to report a slight increase in profit margins.

Further information:

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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, broad portfolio of compressor components and the full range of services help customers around the world to find the optimized solution for their reciprocating compressor systems. For 175 years its highly skilled workforce has crafted superior solutions and set the benchmark in the gas compression industry.

SIX Swiss Exchange: BCHN

For further information please visit www.burckhardtcompression.com
