

Mutares SE & Co. KGaA: Balcke-Dürr Group sells Balcke-Dürr Rothemühle to Howden after a successful turnaround

- **Final divestment of Rothemühle business following the sale of activities in Poland in spring 2020**
- **Double-digit Return on invested Capital for Balcke-Dürr Group**
- **Successfully aligned work with Management on the entire exit process**

Munich, 04 December 2020 – Balcke-Dürr, a holding of Mutares SE & Co. KGaA (ISIN: DE000A2NB650), has sold Balcke-Dürr Rothemühle to Howden Group after a successful reorganization and carve out. Balcke-Dürr Rothemühle is an integrated service, engineering and original equipment provider to the flue gas path segment of power and process plants. The company was established in 1936 and is a leading global provider of Air Preheaters, Gas-Gas Heaters and related heat recovery equipment. The transaction is expected to close in Q1 2021 and is subject to regulatory approval.

Mutares acquired the business as part of the acquisition of Balcke-Dürr Group in November 2016 from SPX Corporation based in Charlotte, USA. Focal points of the restructuring process have been footprint adjustments, capacity optimization as well as a focus on service-related business. The unit was carved out in 2019 with the aim of being sold as an independent entity. In 2019 the company generated a turnover of EUR 23.0 million with a team of 55 employees. The entire management team will remain on board.

Johannes Laumann, CIO of Mutares, comments: “This sale highlights our core competence of refocusing businesses to their fundamental expertise, in this case the profitable service business. Due to management empowerment and successful repositioning as an independent entity we have revitalized the Rothemühle brand and established it in the market. We believe Howden is the ideal new owner to lead the company into the next phase of internationalization, both in terms of products and technology.”

Ross B Shuster, CEO of Howden, said: “Rothemühle’s service and product offerings support our environmental technology efforts by reducing emissions and improving plant operating efficiencies in their critical processes. This acquisition will extend Howden’s presence in the German market, whilst giving the Company access to Howden’s global network. We are pleased to welcome the Rothemühle team to Howden.”

About Howden Group

Howden is a leading global provider of mission critical air and gas handling products. The company enables their customers' vital processes which advance a more sustainable world. Based in Glasgow, Scotland, Howden has over 60 years heritage as a world-class application engineering and manufacturing company with a presence in 36 countries. Howden manufactures highly engineered fans, compressors, heat exchangers, steam turbines, and other air and gas handling equipment, and provides service and support to customers around the world in highly diversified end-markets and geographies.

Company profile Mutares SE & Co. KGaA

Mutares SE & Co. KGaA, Munich (www.mutares.de), as a listed private equity holding company with offices in Munich (HQ), Frankfurt, Helsinki, London, Madrid, Milan, Paris, Stockholm and Vienna, acquires medium-sized companies and parts of larger groups with headquarters in Europe that show a clear potential for operational improvement and are sold again after undergoing a repositioning and stabilization process. Mutares actively supports and develops its portfolio companies with its own investment and consulting teams as well as through acquisitions of strategic add-ons. With for aim a ROIC (Return on Invested Capital) of 7 to 10 times on the total investment with a focus on sustainable growth of the portfolio companies. In 2020, Mutares SE & Co. KGaA expects generated consolidated revenues of approx. EUR 1.8 billion employing more than 15,000 people worldwide. Based on this, consolidated revenues are expected to increase to approximately EUR 3.0 billion by 2023. Mutares is strongly committed to a sustainable dividend policy consisting of a base dividend and a performance dividend, which has been stable above 10% yield in the past years. The shares of Mutares SE & Co. KGaA are listed on the Frankfurt Stock Exchange under the ticker symbol "MUX" (ISIN: DE000A2NB650).

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