



Dr. Daniel Schmitt, CEO of Dürr's Clean Technology Systems: "Now we can offer our customers the best solutions on a much wider range."

“One united team for our customers”

Interview about Dürr's completed acquisition of MEGTEC/Universal

Bietigheim-Bissingen, November 2018 – What happens when a mechanical and plant engineering firm takes over a leading supplier in environmental control, energy-generation, and acoustic technologies? Dr. Daniel Schmitt, CEO Dürr Clean Technology Systems, and Kenneth Zak, Senior Vice President, Dürr MEGTEC, respond to a diverse set of topics arising from Dürr's acquisition of businesses from Babcock & Wilcox Enterprises (B&W). Is it venturing into new areas or a combination of near identical organizations? The two business leaders explain their collaborative efforts on addressing pressing global air pollution challenges and the supplementary benefits that will be available for their customers.

What will change after the acquisition by Dürr?

Schmitt: With the new combination, we have a much wider and stronger product portfolio, services of 1,500 highly skilled workforce and well-established brands. We are creating a leading company with revenues of approximately € 400 million. We are well placed to offer our customers all air pollution control technologies from a single source along with advanced acoustic solutions. We have an unmatched offer – with the best possible solutions for our customers at a global scale.

Zak: As I think about the future, I see not a grouping of multiple companies but the limitless potential we have as one strong cohesive team. Together, we hold market leadership roles not just globally but in all major regions of the world. We have very complementary market positions in Europe and North America and our innovative technologies and diverse product line on environmental equipment and services create a huge market potential in the emerging

economies of China, India, South East Asia and perhaps South America.

How does the customer benefit from the new merged business?

Schmitt: Instead of just being limited in the product line that Dürr was carrying in the past, now we can offer the best solutions on a much wider range. Depending on customer needs we can actually take the best individual technologies or an optimal blend of technologies to provide complete solutions. For example, through this combination of companies with multiple RTO products, we can come up with optimized approaches for specific market segments. Or, we can bundle different technologies such as particulate control devices with RTOs to provide a complete emission control solution.

Zak: Service and customer support are critical components of our businesses. Going forward, customer responsiveness will improve from its current high level as we have at our disposal the services of more trained resources in more locations across the world. We are definitively getting even closer to our customers. Combine that speed of response with availability of spare parts and you have a great way of making sure a customer's equipment is up and running all times. That's critical because reliable operation and lifetime support is why they buy our equipment in the first place!

What benefits do Dürr and MEGTEC expect from the acquisition?

Schmitt: It is part of Dürr's strategy to grow its environmental technology business substantially. We did have very good organic growth over the past couple of years. But we aim to take our business to the next level. Part of our strategy was to create a target list of potential candidates that suit our business and strengthen our market penetration and product line. We identified MEGTEC as an interesting candidate and were pleased that they were available soon after. Together we now have a much stronger geographical footprint. Along with our presence in Europe and Asia we can cement our market share in North America.

Zak: When you look at the combination of Dürr, MEGTEC and Universal, you see that we have complementary technologies. Yes, there are some overlaps primarily in areas like thermal oxidizers. But MEGTEC and Universal combined have a broad product line particularly in areas such as particulate fine dust, acid gas and noise control systems that give the "new" Clean Technologies group a large product line of interesting technologies. In addition, the individual companies tend to have strengths in different end markets e.g. Dürr in automotive, MEGTEC in wood products, Universal in oil & gas, etc. The combined team can bring all this know-how together and use its regional strengths to better serve the markets and further grow the business.

This acquisition – how does it affect running projects for the customers?

Zak: Whether our customers bought a MEGTEC system or a Dürr system, they bought it with certain expectations. Clearly, we are going to fulfill our commitment and work to exceed those expectations! There should be no doubt – we will complete what we started and deliver to our customers a highly successful project.

Schmitt: Very clearly, there was a specification and a belief that people purchased the right equipment from us. We are here for our customers to provide a world-class service. Implementation of all ongoing projects will continue as normal and will involve the same team.

Will the points of contact for customers remain the same?

Schmitt: Nothing will change in terms of telephone numbers and email addresses in the companies. We will ensure that our customers do not face any inconvenience and are there for our customers as one united team.

What does it mean in terms of product portfolio, service availability and warranties of MEGTEC and Universal's products after the acquisition?

Schmitt: On existing contracts, warranties and service offerings our commitments remain unchanged.



Kenneth Zak, Senior Vice President, Dürr MEGTEC:
"Customer responsiveness will improve from its current high level."

Zak: The focus now is on the much broader range of technologies for our customer base. When customers make a purchase, they don't just buy a piece of equipment from us. They start a long-term relationship with the company for the full lifetime of the equipment. It is our job as business leaders to provide best-in-class equipment and services and guarantee that the customers have a great experience. If we do, happy customers will naturally choose us over any competitor for their next project. I often use the phrase: *The sales team may sell the first job but our ability to service the customer sells every job after that.* If you take care of your customer – you are doing the right thing for the customer and the business!



MEGTEC offers primarily air pollution control systems.