

## Press Release

Esbjerg, Denmark/Gothenburg, Sweden, 5<sup>th</sup> January 2010

### **Danish Babcock & Wilcox Vølund strengthens its focus on growth, competencies and product offerings via strategic acquisition of Swedish Götaverken Miljö AB**

**Babcock & Wilcox Vølund A/S today announced the acquisition of all shares in Götaverken Miljö AB, located in Gothenburg, Sweden, from The Sixth Swedish National Pension Fund. Hereby Babcock & Wilcox Vølund follows its strategic objectives with focus on growth. The acquired company employs highly educated and skilled specialists within flue gas cleaning and energy recovery. Thereby the company will both complement and expand Babcock & Wilcox Vølund's product and service offerings to the cleantech industry all over the world. The parties will not comment any further on the agreed price per share or other details about the transaction.**

With the acquisition of Götaverken Miljö AB (GMAB), Babcock & Wilcox Vølund, based and headquartered in Denmark, has taken a major step forward in the company's strategic focus on both growth and development of the company's global product and service offerings within the cleantech sector. Götaverken Miljö AB will continue its activities with the current management, staff, and company name.

#### **A perfect match**

"We have for many years known Götaverken Miljö as a very competent, respected and highly specialised company - and the company has been involved in several of our projects around the world as provider of flue gas cleaning technology and energy recovery applications. GMAB fits perfectly into the Babcock & Wilcox Vølund strategy and organisation. Together with GMAB our product offerings will be expanded with in-house resources and competencies of the highest standards in the world within the cleantech industry. Therefore, it is a pleasure for all of us to welcome our new Swedish colleagues in Gothenburg to a new and exciting future," said John Veje Olesen, Managing Director at Babcock & Wilcox Vølund A/S and the new Chairman of GMAB.

#### **More focus on climate friendly solutions**

Babcock & Wilcox Vølund is one of the world's leading suppliers of equipment and technologies designed to convert household waste and bio-fuels into thermal energy. The company's solutions provide a unique combination of high-quality products, broad multi-disciplinary experience, empirical designs and strong project management skills.

The company's revenue for 2008 amounted to 579,9 MDKK and the EBIT was 27,7 MDKK. However, at the end of the year the backlog increased to 784 MDKK – i.e. 263 MDKK more than at the same time the year before.

Together with the experts from GMAB, Babcock & Wilcox Vølund will now be able to offer the customers even more climate-friendly solutions - including flue gas cleaning.

Babcock & Wilcox Vølund A/S is headquartered in Esbjerg, and is a wholly owned subsidiary of Babcock & Wilcox Power Generation Group, Inc. in Barberton, Ohio, USA. Babcock & Wilcox Power Generation Group, Inc. is a subsidiary of The Babcock & Wilcox Company, a McDermott International, Inc. company. On a worldwide basis the company employs more than 20,000 people - approximately 400 are employed by Babcock & Wilcox Vølund A/S in Denmark.

Babcock & Wilcox Vølund has a longlasting proven track record within offering customers multinational synergies and 135 years of thermal energy production in North America combined with 70 years of experience in Europe

Over the years, more than 300 production lines have been built, based on in-house developed technologies – and most of them are still in use.

### **New competencies open doors for synergies**

Götaverken Miljö (GMAB), headquartered in Gothenburg, Sweden, is a provider of solutions within flue gas cleaning and energy recovery applications based on proprietary technologies. GMAB has its origin in the Götaverken companies, a large Swedish industrial group consisting of shipyards and boiler manufacturers. Nowadays their primary customer segments are household, industrial, and hazardous waste incinerators.

The Company has been active within its current product areas since 1988 and in present form since 2003. Since 1998 the company has been fully owned by The Sixth Swedish National Pension Fund

GMAB's offering includes complete turn-key flue gas cleaning plants and energy recovery systems tailor-made for the customers' specific needs, wet flue gas cleaning and/or energy recovery sub-systems and ADIOX<sup>®</sup> absorbers for dioxin removal.

GMAB is the patent owner of a "Scrubber" technology which the company markets in conjunction with ADIOX<sup>®</sup> and MercOx.

The GMAB multi-step Scrubber contains several scrubber stages, where the stages are arranged in a scrubber tower. The stages are unique in that the design allows a very compact installation enabling retrofitting on existing plants as well as competitive solutions for new plants.

ADIOX<sup>®</sup> provides superior dioxin removal and operating reliability as well as lower maintenance costs. The proprietary ADIOX<sup>®</sup> packing material and demisters are consumables that typically are designed into GMAB's systems and modules solutions but are also sold separately and increasingly as replacement sales.

MercOx is a cutting edge technology for mercury removal from flue gas. In addition to its current product offering, GMAB has an attractive pipeline of technologies close to commercialization with the potential to further drive growth.

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### **Further information**

For more information about Babcock & Wilcox Vølund and the acquisition of Götaverken Miljö AB (GMAB) please feel free to contact Harry Levin ([Levin@outcom.dk](mailto:Levin@outcom.dk)) on +45 40 30 99 10 who will coordinate the direct contact to the management's spokespersons.

Please also visit [www.Volund.dk](http://www.Volund.dk) and [www.gmab.se](http://www.gmab.se)