



BILFINGER

Press release

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Pharmaceuticals and biopharmaceuticals a growth market: attractive potential for integrated solutions for plant modules

- 2-4-6 concept: 2 service lines, 4 regions, 6 target industries
- Bilfinger broadening market position in pharmaceuticals and biopharmaceuticals
- Rising demand for pre-assembled systems
- Bilfinger Industrietechnik Salzburg achieving strong sales growth
- Capacity expanded in Salzburg and at other locations

With its 2-4-6 concept, the Bilfinger Group's Executive Board adopted a new strategic orientation for the Group in February 2017. The focus of its business activities is on two service lines, four core regions and six industries. With this new structure, Bilfinger is offering its customers additional value: strengths are being pooled within the Group and services offered along the entire value chain.

Two service lines

Bilfinger's Engineering & Technologies service line develops and expands industrial plants, boosts their efficiency and offers various environmental technologies. The Maintenance, Modifications & Operations service line handles maintenance, modifications and operations for industrial plants. Whereas the first service line has an international footprint with some 9,000 employees, maintenance business has a regional structure with around 23,000 employees. Tom Blades, CEO of Bilfinger: "On the one hand, this structure facilitates swift sharing of innovative ideas and best-practice experience for engineering

Bilfinger is a leading international industrial services provider. The Group enhances the efficiency and environmental compatibility of assets, ensures a high level of availability and reduces maintenance costs. The portfolio covers the entire value chain from consulting, engineering, manufacturing, assembly, maintenance, plant expansion as well as turnarounds and also includes environmental technologies and digital applications.

The company delivers its services in two business segments: Engineering & Technologies as well as Maintenance, Modifications & Operations. Bilfinger is primarily active in the regions Continental Europe, Northwest Europe, North America and the Middle East. Process industry customers come from sectors that include chemicals & petrochem, energy & utilities, oil & gas, pharma & biopharma, metallurgy and cement. With its 37,000 employees, Bilfinger upholds the highest standards of safety and quality and generates an annual output volume of about €4 billion.

Contact

Bilfinger SE
Ullrich Esser
Carl-Reiß-Platz 1-5
68165 Mannheim
Germany
Telefon: +49 621 459-2486
ullrich.esser@bilfinger.com
<http://www.bilfinger.com>

Press contact

LEWIS
Rabea Roos
Derendorfer Allee 33
40476 Düsseldorf
Germany
Telefon : +49 211 522 946 0
bilfinger@teamlewis.com
<http://www.teamlewis.com/de>



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and technology contracts; on the other hand, it ensures immediate vicinity to customers tied with high flexibility in the maintenance, modification and operation services provided for industrial plants.”

Four core regions

With its focus on four core regions, Bilfinger is concentrating on those markets in which its subsidiaries possess decades of experience, a strong presence and an outstanding reputation. Whereas Continental Europe and North West Europe are the two regions in which Bilfinger generates most of its business, North America and the Middle East constitute attractive growth regions for the range of services offered by the Group.

Six focus industries

Bilfinger’s services are primarily targeted at the chemical and petrochemical industries, energy and utilities, oil and gas, pharmaceuticals and biopharmaceuticals, metallurgy and cement. In these industries, Bilfinger offers a range of services addressing the entire value chain of an industrial plant such as consulting, engineering, manufacturing, assembly, maintenance, plant expansion as well as turnarounds and also environmental technologies and digital applications.

Pharmaceuticals and biopharmaceuticals a growth market

“We see additional potential in pharmaceuticals and biopharmaceuticals for outpacing market growth. For this reason, we will be focusing even more keenly on this sector and systematically broadening our range to address pharmaceutical and biopharmaceutical production plants,” explains Blades. Currently around five percent of Bilfinger’s total revenues comes from business in the pharmaceutical and biopharmaceutical industry. The new corporate strategy aims to systematically widen this share over the next few years.

Given the mounting cost pressure in the pharmaceutical and biopharmaceutical industry, activities are increasingly being outsourced. At the same time, the technical characteristics of the equipment and hygiene standards must meet ever greater requirements. As well as this, many innovative new therapies are arising in this sector necessitating



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corresponding equipment and maintenance. “These market trends are generating attractive opportunities for growth for Bilfinger: Our range of services makes us the ideal partner for the pharmaceutical and biopharmaceutical industry as we can offer engineering and maintenance services under a single roof,” says Blades.

Strong demand for prefabricated systems

The pre-assembly of systems is one of the areas within the pharmaceutical and biopharmaceutical industry offering the greatest growth potential. Bilfinger Industrietechnik Salzburg specializes in such activities. Over the last four years, the company’s sales have almost doubled, while its employee numbers have risen by one third.

With more than 500 core employees, Bilfinger Industrietechnik Salzburg engineers, fabricates and installs piping and production systems for the biotechnology and pharmaceutical industry. Its range of services encompasses engineering, automation, fabrication and assembly, testing, commissioning and maintenance. The product range includes bioreactor and fermentation systems as well as solution preparation, cleaning and CIP/SIP systems. As well as production equipment, Bilfinger Industrietechnik Salzburg also offers testing, pilot, laboratory and ancillary facilities. Recently developed systems include cell culture systems for producing monoclonal antibodies, chromatography columns for purification and production equipment for high-purity media featuring a patented new development.

Productivity gains and time savings through prefabricated systems

The customer can derive numerous advantages from prefabricated systems and modules: Prefabrication is separate from the ultimate place of operation, thus heightening scheduling flexibility in acceptance testing and the completion of qualification steps. As it is merely necessary to assemble or reassemble the prefabricated system at its ultimate place of use, on-site resource requirements are reduced to a minimum, thus facilitating coordination with other activities and improving safety at the actual construction site. As well as this, prefabrication of the necessary modules reduces the time required to set up the system as these modules can be produced simultaneously rather than sequentially.



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Bilfinger Industrietechnik Salzburg offers different levels of complexity for the prefabrication of equipment: In the case of spool fabrication, the pipe structures are assembled under workshop conditions and include the valves if necessary. The production of entire components is known as piping modules. Compact plants or parts of plants are produced as transportable prefabrication units and offered by Bilfinger Industrietechnik Salzburg as skids. Skids can be solely mechanical, mechanical/electrical or fully functional with installed automation, known as “package units”.

Capacity being expanded in Salzburg

In response to the growing demand for prefabricated systems, Bilfinger Industrietechnik Salzburg moved to new headquarters at the end of April. Located at the Puch/Urstein industrial estate with a site area of around 12,000 square meters, the new facility consists of an office building and new production and assembly halls permitting the production of even large items. They are equipped to meet even the highest customer demands. Says Tobias Eitel, managing director of Bilfinger Industrietechnik Salzburg: “The new facility offers optimum production conditions and allows us to execute even larger orders in Salzburg. In addition, it will help us to continue broadening our international footprint thanks to the availability of additional fabrication capacities.

Bilfinger Industrietechnik Salzburg supplies its products to customers across Europe as well as China and other Asian countries. It was recently awarded contracts by three international pharmaceutical companies in Ireland, Belgium and Denmark for the construction and expansion of biotechnology process systems. In the execution of these three orders, Bilfinger Industrietechnik Salzburg will be fabricating and assembling around 60 kilometers of piping and installing systems with a total length of 60 meters, a width of six meters and a height of 6.5 meters. In all three cases, main activities have been completed at the company’s head office in Salzburg. The company is also expanding in Germany. At the end of November, it opened its fourth German office in Dresden to supplement the facilities that it already has in Heidelberg, Penzberg and Stuttgart. The Dresden office primarily offers engineering and project management services.