Bilfinger Berger expanding its services business in the United States: takeover of industrial services specialist Tepsco

Bilfinger Berger is strengthening its position in the industrial services market in the United States: the construction and services Group has acquired Tepsco L.P., a Houston, Texas based service provider for the process industry. The company has strong long-term relationships to clients in the oil & gas and petrochemical industries. Tepsco, which is highly profitable and has shown dynamic rates of growth, will generate an output volume of about €180 million in the coming year. The seller is Churchill Equity, a financial investor. Both parties have agreed not to disclose details of the purchase price. Clients and management of Tepsco have welcomed the takeover by Bilfinger Berger.

The oil & gas industry in the United States will be investing heavily in the coming years. To meet the country’s increasing energy needs, refinery capacities must be expanded by 35% by 2030. A major part of existing plant capacity must be maintained or overhauled, resulting in increased demand for premium services. The acquisition gives Bilfinger Berger Industrial Services a strong position in this market with excellent prospects for the future.

Bilfinger Berger’s output volume in industrial services on the American market will double to over €350 million with the acquisition of Tepsco. The Group is also active in real-estate services in the United States, primarily for public-sector clients. Last year, these activities generated a volume of nearly €200 million.

The Services segment at Bilfinger Berger is growing fast. In the past financial year, output volume increased by 25% to €3.6 billion, earnings rose by 46% to €180 million. “The expansion of our services business, through which we have significantly changed both the Group’s image and its profitability, will continue to be one of our top priorities for the future”, said Executive Board Chairman Herbert Bodner.