

Press release, January 9, 2015

Hitachi Zosen Inova acquires HNP Kraftwerkstechnik GmbH

Former business partner to continue as subsidiary

Hitachi Zosen Inova Inova has signed an agreement with Hydraulik Nord GmbH to acquire HNP Kraftwerkstechnik GmbH. This move will enable HZI to extend its service portfolio in Germany in direct proximity to long-standing clients.

On December 23, 2014, Cologne-based Hitachi Zosen Inova Deutschland GmbH (HZID) and Hydraulik Nord GmbH, which has its headquarters in Parchim (Mecklenburg-Vorpommern), signed an agreement on the legally binding acquisition of Hydraulik Nord subsidiary HNP Kraftwerkstechnik GmbH (HNPK) by HZID. The two firms had already completed several projects together in the past across Europe in field of power plant technology. While Zurich-based parent company Hitachi Zosen Inova (HZI) is the leading EPC contractors worldwide for the construction, maintenance and modernization of energy-from-waste plants, HNPK's core competences lie in industrial services and erection.

A broad range of services from a single source

The acquisition will deliver clear advantages for clients of both companies. In addition to two market-leading technologies for thermal and biological energy-from-waste recovery, HZI has international plant construction expertise and its own manufacturing company located in Buchs (SG), Switzerland. HNPK worked together with the latter on several occasions in the past, bringing it on board as a supplier of boiler and incineration components. HZI will in future provide the whole service package: planning, engineering, manufacturing, delivery, erection as well as maintenance from a single source. "Bringing together the two companies will result in shorter response times and greater flexibility in project execution. Our clients will profit from this directly, as they will be able to get all they need from a single source in future," said Franz-Josef Mengede, CEO of HZI, adding: "We are delighted that this move will enable us to further extend and enhance our service offering. It will also open up new areas for both companies where existing and future clients alike can benefit from our expertise."

Location to be retained

The final closing took place on December 31, 2014, as of which date all business activities were transferred to HZID. The HNPK location in the Queis area of Landsberg (Sachsen-Anhalt) will be retained, and will continue operations as a subsidiary. The employment relationships with the around 50 members of staff will also be maintained unchanged by HZID. The next steps were presented to the entire workforce today at a special information event.

About Hitachi Zosen Inova

Zurich-based Hitachi Zosen Inova (HZI) is a global leader in energy from waste (EfW), operating as part of the Hitachi Zosen Corporation Group. Formed from the former Von Roll Inova, HZI acts as an engineering, procurement and construction (EPC) contractor delivering complete turnkey plants and system solutions for thermal and biological energy-from-waste recovery. Its solutions are based on efficient and environmentally sound technology, are thoroughly tested, can be flexibly adapted to user requirements, and cover the entire plant life cycle. The company's customers range from experienced waste management companies to up-and-coming partners in new markets worldwide. HZI's innovative and reliable waste and flue gas treatment solutions have been part of some 500 reference projects delivered since 1933. To find out more, please visit www.hz-inova.com

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About Hydraulik Nord GmbH

The Hydraulik Nord Group comprises the holding company Hydraulik Nord GmbH, which is based in Parchim (Mecklenburg-Vorpommern), and its 14 subsidiaries. The latter operate as independent business entities. The Hydraulik Nord Group is a holding company with a long-term focus in the core areas of mechanical engineering, electronic manufacturing services, and industrial services. The company employs around 2,000 staff across Germany.

Its philosophy centers on the innovative ongoing development of the operational units belonging to the holding company, which in turn acts as a sparring partner and provides additional advice and support with regard to financing, controlling, accounting, taxes, legal matters, and HR.

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