

May 17, 2017

Sulzer to Acquire Simcro, a Global Provider of Animal Health Pharmaceutical Delivery Devices

Sulzer signed a binding agreement to acquire Simcro. Simcro is the market leader for pharmaceutical delivery devices such as injectors and applicators for livestock and companion animals. The acquisition adds animal health care as a new, attractive market segment to Sulzer's Applicator Systems division. The enterprise value is NZD 132 million (CHF 90 million).

Simcro, headquartered in Hamilton, New Zealand, is expected to achieve revenues of CHF 35 million and an EBITDA margin of 27% in 2017. The company generates 30% of its revenues in Europe, Middle East, and Africa; 40% in the Americas; and 30% in Asia-Pacific. It employs 230 people. Simcro operates two manufacturing locations — one in New Zealand and one in Australia — and focuses on B2B customers. Its delivery systems inject or orally apply pharmaceuticals to livestock and companion animals. Simcro's proprietary intellectual property includes enhancing treatment efficacy, user safety, operational convenience, and animal welfare.

Simcro will become part of Sulzer's Applicator Systems division, and its current management team will stay with the company. Following the acquisitions of PC Cox and Geka in 2016, Simcro is Sulzer's third acquisition to strengthen its Applicator Systems division.

The transaction is expected to close in the third quarter of 2017 subject to foreign investment approval in New Zealand.

Amaury de Menthière, Division President of Applicator Systems, said, "We are very excited to welcome Simcro's team of experienced animal health experts to Sulzer and to become a leading supplier of pharmaceutical delivery systems in the global animal health care market with a comprehensive and innovative range of injectors and applicators. We are convinced that our global reach in Applicator Systems can accelerate the development of Simcro."

MEDIA RELEASE

Sulzer, headquartered in Winterthur, Switzerland, since 1834, specializes in pumping solutions, services for rotating equipment, and separation, mixing, and application technology. The company creates reliable and sustainable solutions for its markets: oil and gas, power, water, and general industry. Sulzer serves customers around the world through a network of over 180 production and service sites, and it has a strong footprint in emerging markets. In 2016, the company achieved sales of roughly CHF 2.9 billion with around 14 000 employees. www.sulzer.com

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