

Definition of Alternative Performance Measures

Burckhardt Compression uses alternative performance measures as guidance parameters for both internal and external reporting to stakeholders. Burckhardt Compression uses the following definitions, which may differ from similar measurement parameters used in other companies. This document has been prepared in conformity with the Directive on the Use of Alternative Performance Measures issued by SIX Exchange Regulation.

Organic order intake development

The organic order intake development is calculated by adjusting the reported order intake from currency translation effects and acquisition activities.

Organic sales development

The organic sales development is calculated by adjusting the reported sales from currency translation effects and acquisition activities.

Order intake

A new order is recognised as an order intake only when the contract creates enforceable obligations between Burckhardt Compression and its customer. When this condition is met, the order is recognised at its contract value.

Operating income (EBIT)

EBIT is calculated by subtracting cost of goods sold and operating expenses from sales.

Sales
- Cost of goods sold
= Gross profit
- Selling and marketing expense
- General and administrative expense
- Research and development expense
+ Other operating income
- Other operating expense
= Operating income (EBIT)

Net financial position (Net debt)

Net debt is calculated by subtracting financial liabilities from Cash and cash equivalents.

Cash and cash equivalents
- Non-current financial liabilities
- Current financial liabilities
= Net debt

Equity Ratio

The equity ratio is calculated by dividing the total equity by the total amount of assets.

Net operating assets (NOA)
Net operating assets (NOA) – Rolling 12month average

+	Inventories
+	Trade receivables
+	Other current receivables
+	Prepaid expenses and accrued income
-	Trade payables
-	Customers' advance payments
-	Other current liabilities
-	Accrued liabilities and deferred income
-	Current provisions
=	Net working capital
+	Property, plant and equipment
+	Intangible assets
+	Other Assets (only assets regarding Cloud Computing)
-	Non current Provisions
-	Other non current liabilities
=	Net operating assets (NOA) - Rolling 12month average

Definition RONOA (approximativ)**Return on net operating assets (RONOA) after tax**

Operating profit (EBIT) × (1 – effective tax rate)

Net operating assets (NOA) (Rolling 12month average)

= Return on net operating assets (RONOA) after tax

For further information on Burckhardt Compression please visit www.burckhardtcompression.com.