

Press release

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Bilfinger uses Loctite Composite Repair System from Henkel Adhesive Technologies

Repair Innovations for the Oil and Gas Industry

— **Henkel Adhesive Technologies, the leading solution provider for adhesives, sealants and functional coatings, is offering an innovative solution portfolio for the cost-effective repair of steel pipelines. Bilfinger, a leading engineering and services group for the industrial, power, building and facility industry, is using the Henkel solutions to offer maintenance innovations in the oil and gas industry which lead to massive cost savings for customers operating for example one of the worldwide more than 11,000 petrochemical plants or 9,000 offshore platforms.**

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Steel pipelines are extremely capital intensive – no matter whether they are used to transport gas, water, crude oil, wastewater or any other medium. It therefore pays to continue to operate them as long as possible after the planned amortization and depreciation period. The lifetime of such transport systems thus becomes a critical issue.

— **Henkel has developed the innovative Loctite Composite Repair System for pipes which can increase pipe lifetime by up to 20 years and thus offer real economic benefits. The steel shell is constantly exposed to corrosive effects of climate factors, mechanical stress and chemical attack. Instead of replacing affected sections of pipework which requires investments and interrupts operations maintenance and repair companies like Bilfinger are increasingly looking for innovative repair systems that mitigate process and production interruption.**



"We have vast product knowledge when it comes to the service and maintenance of pipelines, pumps, gears and other components," explains Bernd Hammer, Global Market Development Manager Oil & Gas - Refinery at Henkel Adhesive Technologies. "And Bilfinger is aware of the specific problems its local customers face – and what is needed in the future. We are now bringing together this knowledge and thereby creating tremendous potential for both companies".

Bilfinger is serving many customers in the oil and gas industry. "We are actively seeking new solutions to extend asset life, reduce maintenance costs, as well as, set ourselves apart from the competition by offering higher value services and solutions," explains Murray Strachan, Head of Strategic & Business Development, Bilfinger SE Oil & Gas Division. "Some of the facilities are 40 years old - it is very important for our customers to keep them operating safely and, at the same time, to keep maintenance costs low and downtimes to a minimum". Bilfinger intends to develop together with Henkel "cost-effective high-tech solutions and thus assert itself as a leader in the oil and gas industry."

Cooling System in Scotland sealed with Henkel epoxy resins

Apart from pipe repair innovation Bilfinger recently used the solution expertise of Henkel Adhesive Technologies to seal flange connections in a large cooling system at the Grangemouth refinery in Scotland. "The client was prepared for the worst and had already budgeted five million pounds", says Simon Hope, technical consultant at Bilfinger. Together with Henkel experts he developed a repair concept to inject an epoxy resin into some 700 flanges.

Complex tests at pressures of 30 bar, requested by the client, confirmed that the solution worked. Four skilled workers carried out the work in a period of four weeks during a turnaround in July 2014: "The total cost was less than half a million pounds," says Simon Hope with engineering pride. "The customer saved about 90 percent of the costs originally expected and the complete project was delivered before a highly sensitive completion deadline."

Henkel operates worldwide with leading brands and technologies in three business areas: Laundry & Home Care, Beauty Care and Adhesive Technologies. Founded in 1876, Henkel holds globally leading market positions both in the consumer and industrial businesses with well-known brands such as Persil, Schwarzkopf and Loctite. Henkel employs almost 50,000 people and reported sales of 16.4 billion euros and adjusted operating profit of 2.6 billion euros in fiscal 2014. Henkel's preferred shares are listed in the German stock index DAX.

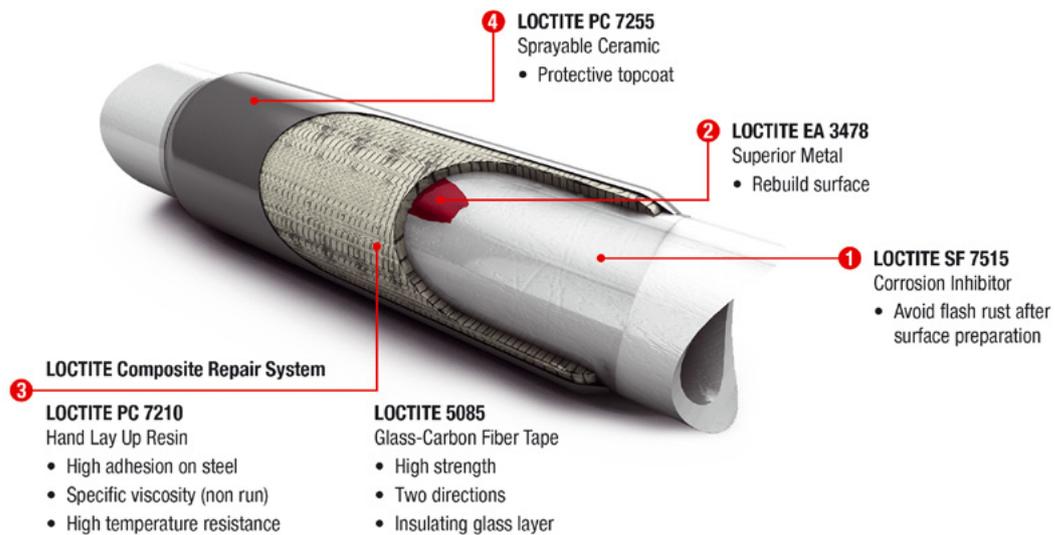
Photo material is available at <http://www.henkel.com/press>

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The following photo material is available:



Henkel products used for pipe repair.



Henkel products increase pipe life time.



Pipe repair solution from Henkel.