

NEWS RELEASE

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Koch Heat Transfer Acquires ALCO Products and Bos-Hatten Heat Exchanger Brands from Peerless Mfg. Co.

HOUSTON and DALLAS, Texas –Koch Heat Transfer Company, LP has purchased the Alco, Alco-Twin, and Bos-Hatten brands of heat exchangers from Peerless Mfg. Co. (Peerless).

PMFG, Inc. is the parent company of Peerless, and Koch Heat Transfer is a subsidiary of Koch Chemical Technology Group, LLC.

Alco, Alco-Twin, and Bos-Hatten are class-leading brands in the supply of quality, engineered-to-order heat transfer equipment. Alco and Alco-Twin specialize in hairpin double-pipe and multi-tube heat exchangers, and the Bos-Hatten brand is known for quality shell and tube-type heat exchangers. Peerless acquired the brands in 2008 through the purchase of Nitram Energy, Inc.

This acquisition will allow Koch Heat Transfer to expand into additional markets while continuing to leverage a dedicated team of aftermarket specialists to supply service to the current customer base.

“As part of the ongoing strategy to streamline our operations and focus on our core strengths, we have decided to divest our heat transfer business,” said PMFG Chairman and CEO Peter Burlage. “We believe the divestiture will allow greater focus on our company’s pressure products, nuclear and environmental product solutions, while enabling us to better optimize our supply chain. Koch Heat Transfer is a global provider of heat transfer equipment and will be able to better serve the heat transfer market with the Alco Products and Bos-Hatten heat exchanger designs and customer relationships included in the transaction.”

“The Alco, Alco-Twin, and Bos-Hatten brands are clearly aligned with our vision to consistently deliver heat transfer solutions that create value,” said Joel Williamson, President of Koch Heat Transfer. “We are gaining knowledgeable and experienced employees who will enhance our technical depth. We believe our dedication to meeting the heat transfer needs of our customers will grow these brands even further.”

Financial details are not being disclosed.

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About Koch Heat Transfer Company, LP

Koch Heat Transfer Company, LP, based in Houston, designs and fabricates specialty heat exchangers for a global customer base. The company maintains fabrication capabilities in North America, Europe and Asia either through company-owned facilities or in association with local fabricators that can fabricate to all major design codes. Koch Heat Transfer Company, LP is a part of Koch Chemical Technology Group, LLC. For more information, visit www.kochheattransfer.com.

About PMFG

PMFG is a leading provider of custom-engineered systems and products designed to help ensure that the delivery of energy is safe, efficient and clean. PMFG primarily serves the markets for power generation, natural gas infrastructure and petrochemical processing. Headquartered in Dallas, Texas, PMFG markets its systems and products worldwide.