



## **CIRCOR Announces Disposition of Distributed Valves Business**

June 11, 2020

BURLINGTON, Mass.--(BUSINESS WIRE)--Jun. 11, 2020-- CIRCOR International, Inc. (NYSE:CIR) today announced that on June 5, 2020 its subsidiary, CIRCOR Energy Products LLC (CEP), signed a definitive agreement to dispose of its loss-making short-cycle upstream oil and gas business, Distributed Valves, to MS Valves GmbH for negative \$8.25 million. The transaction is subject to a working capital adjustment and an earnout of 50% of net profit from closing through December 31, 2022. As part of the transaction, CEP will retain certain supplier liabilities and responsibility for closing the Mexico manufacturing facility. The transaction is expected to close in June 2020, subject to customary closing conditions.

"The sale of our Distributed Valves business is consistent with our strategy to diversify away from non-core businesses and focus on more attractive end markets," said Scott Buckhout, President and Chief Executive Officer of CIRCOR. "We remain focused on executing our strategy and will continue to take steps that enhance value for our shareholders."

Distributed Valves manufactures ball valves primarily used in the U.S. upstream oil and gas market. The cash operating losses attributable to the Distributed Valves business are expected to be approximately \$16 million year-to-date through June 2020.

In connection with the disposition of the Distributed Valves business, CIRCOR also announced that Lane Walker, President of CIRCOR's Energy Group, departed from CIRCOR on June 8, 2020. "On behalf of the Board of Directors and everyone at CIRCOR, I want to thank Lane for his leadership over the years and for helping us exit upstream oil and gas," said Mr. Buckhout. "We wish him the best in his future endeavors."

### **ABOUT CIRCOR INTERNATIONAL, INC.**

CIRCOR International, Inc. is one of the world's leading providers of flow control products and services for the Industrial and Aerospace & Defense markets. CIRCOR has a product portfolio of recognized, market-leading brands serving its customers' most demanding applications. For more information, visit the Company's investor relations website at <https://investors.circor.com>.

### **Safe Harbor Statement**

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Reliance should not be placed on forward-looking statements because they involve unknown risks, uncertainties and other factors, which are, in some cases, beyond the control of CIRCOR. Any statements in this report that are not statements of historical fact are forward-looking statements, including, but not limited to, the expected closing of the disposition of the Distributed Valves business and the expected cash operating losses attributable to the Distributed Valves business. Actual events, performance or results could differ materially from the anticipated events, performance or results expressed or implied by such forward-looking statements. Important factors that could cause actual results to vary from expectations include, but are not limited to: the satisfaction of all closing conditions of the disposition of the Distributed Valves business; the success of the purchaser in operating the Distributed Valves business post-closing in a manner that produces net income during the earnout period; the duration and severity of the COVID-19 pandemic and its impact on the global economy; our ability to respond to competitive developments and to grow our business, both domestically and internationally; changes in the cost, quality or supply of raw materials; our ability to comply with our debt obligations; our ability to successfully implement our acquisition, divestiture or restructuring strategies; changes in industry standards or government regulations, both in the United States and internationally; and our ability to operate our manufacturing facilities at current or higher levels and respond to increases in manufacturing costs. BEFORE MAKING ANY INVESTMENT DECISIONS REGARDING OUR COMPANY, WE STRONGLY ADVISE YOU TO READ THE SECTION ENTITLED "RISK FACTORS" IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K AND SUBSEQUENT QUARTERLY REPORTS ON FORMS 10-Q, WHICH CAN BE ACCESSED UNDER THE "INVESTORS" LINK OF OUR WEBSITE AT [WWW.CIRCOR.COM](http://WWW.CIRCOR.COM). We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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