

South Montgomery
County Woodlands



ECONOMIC DEVELOPMENT
PARTNERSHIP

News

THE WOODLANDS, Texas--(BUSINESS WIRE)--CB&I (NYSE: [CBI](#) - [News](#)) announced today that it has entered into a definitive agreement to acquire the Lummus Global business from ABB for an enterprise value of \$950 million on a debt and cash free basis, subject to adjustments at closing. The acquisition is expected to close in the fourth quarter of 2007, pending CB&I shareholder and customary regulatory approvals.

Lummus Global is a leading provider of process technologies used in the oil & gas and petrochemical industries, as well as a global EPC contractor. The company is widely recognized for its expertise in ethylene and olefins technologies, having licensed approximately 40 percent of all such projects worldwide over the last decade. It also holds a market-leading position in hydrocracking projects. With 2,400 employees worldwide, Lummus Global has 70 proprietary technologies, more than 1,000 patents and an established global presence including Europe, the Middle East, Africa, China, Russia and the U.S.

The combination of CB&I's EPC experience and Lummus' technology expertise creates a strategic advantage in the marketplace. The combined company will be able to provide clients a full range of complementary services across the entire hydrocarbon value chain, from proprietary technology to engineering, procurement, fabrication, construction and final commissioning.

"This is a compelling strategic opportunity which will enable CB&I to better respond to the growing demand for energy infrastructure around the world," said Philip K. Asherman, President and CEO. "The acquisition transforms CB&I into a fully integrated provider with full scale capabilities in the global hydrocarbon sector. While we expect the acquisition to be accretive to 2008 earnings per share, it is even more significant in terms of enhancing CB&I's future growth potential. Lummus Global has established an excellent reputation over the past 100 years and we intend to fully capitalize on the company's expertise and downstream capabilities. We are excited to welcome Lummus to CB&I."

CB&I estimates Lummus Global will have revenues of approximately \$1.0 billion 2007, and expects the opportunities provided by the acquisition to drive substantial revenue and earnings growth in 2008 and beyond. The acquisition will be funded using a combination of cash and debt, with a possible subsequent issuance of common stock following the closing.

Webcast

CB&I will host a conference call August 27, 2007 at 10:00 a.m. CDT (11:00 a.m. EDT) to discuss the acquisition. The webcast will be available at www.shareholder.com/cbi/medialist.cfm or at www.CBI.com Investor Relations / Presentations & Webcasts.

About CB&I

CB&I executes more than 500 projects each year and is one of the world's leading engineering, procurement and construction (EPC) companies, specializing in projects for customers that

produce, process, store and distribute the world's natural resources. With more than 60 locations and approximately 14,000 employees throughout the world, CB&I capitalizes on its global expertise and local knowledge to safely and reliably deliver projects virtually anywhere. Information about CB&I is available at www.CBI.com.

About ABB

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve their performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 111,000 people.