



Hanover Compressor Announces Completion of Public Offering of Senior Notes and Convertible Senior Notes

December 15, 2003

HOUSTON--(BUSINESS WIRE)--Dec. 15, 2003--Hanover Compressor Company (NYSE:HC), a global market leader in full service natural gas compression and a leading provider of service, fabrication and equipment for oil and natural gas processing and transportation applications, announced today that it has completed its offering of \$200 million of 8.625% Senior Notes due 2010 and \$143.75 million of 4.75% Convertible Senior Notes due 2014. Of the \$143.75 million of Convertible Senior Notes sold by Hanover, \$18.75 million was sold pursuant to the exercise of the underwriters' over-allotment option. Hanover will use the net proceeds from the offerings to repay existing indebtedness.

Hanover also announced that it has completed its new \$350 million bank credit facility that amends and replaces the Company's former bank credit facility.

The offering and sale of the Senior Notes and Convertible Senior Notes were pursuant to an effective shelf registration statement on Form S-3 previously filed with the Securities and Exchange Commission.

JPMorgan and Citigroup were joint book-running managers for the Senior Notes offering. Copies of the prospectus supplement relating to the offering of the Senior Notes may be obtained from the offices of J.P. Morgan Securities Inc., Chase Distribution & Support Service, 1 Chase Manhattan Plaza, Floor 5B, New York, NY 10081 (copies can also be obtained by e-mail at: Addressing.Services@jpmchase.com), and the offices of Citigroup Global Markets Inc., 140 58th Street, Brooklyn, NY 11220, Attention: Prospectus Department, Floor 8-I.

JPMorgan and Credit Suisse First Boston were joint book-running managers for the Convertible Senior Notes offering. Copies of the prospectus supplement relating to the Convertible Senior Notes offering may be obtained from the office of J.P. Morgan Securities Inc., Chase Distribution & Support Service, 1 Chase Manhattan Plaza, Floor 5B, New York, NY 10081 (copies can also be obtained by e-mail at Addressing.Services@jpmchase.com), and from the office of Credit Suisse First Boston, Prospectus Department, One Madison Avenue, New York, New York 10010.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy any of the securities described above. An offering of any such securities will be made only by means of a prospectus. Any such prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

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