



Hanover Compressor Company Announces Close of Public Offering of Senior Notes

March 31, 2006

HOUSTON--(BUSINESS WIRE)--March 31, 2006--Hanover Compressor Company (NYSE:HC), a global market leader in the full service natural gas compression business and a leading provider of service, fabrication and equipment for oil and natural gas production, processing and transportation applications, announced today the completion of its public offering of \$150 million aggregate principal amount of 7 1/2% Senior Notes due 2013.

Hanover used the net proceeds from the offering, together with borrowings under its bank credit facility, to redeem its Zero Coupon Subordinated Notes due March 31, 2007. The offering and sale of the Senior Notes was pursuant to an automatic shelf registration statement on Form S-3 filed with the Securities and Exchange Commission.

J.P. Morgan Securities Inc. and Credit Suisse Securities (USA) LLC acted as joint book-running managers for the offering of the Senior Notes. Copies of the prospectus relating to the offering of the Senior Notes may be obtained by contacting J.P. Morgan Securities Inc., at 270 Park Avenue, 8th Floor, New York, New York 10017, Attention: Syndicate Desk (telephone: 1-800-245-8812).

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.

About Hanover Compressor Company

Hanover Compressor Company (NYSE:HC) is a global market leader in the full service natural gas compression business and a leading provider of service, fabrication and equipment for oil and natural gas production, processing and transportation applications. Hanover sells and rents this equipment and provides complete operation and maintenance services, including run-time guarantees, for both customer-owned equipment and its fleet of rental equipment.

Forward-looking Statements

Certain matters discussed in this presentation are "forward-looking statements" intended to qualify for the safe harbors established by the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements can generally be identified as such because of the context of the statement or because the statement includes words such as "believes," "anticipates," "expects," "estimates," or words of similar import. Similarly, statements that describe Hanover's future plans, objectives or goals or future revenues or other financial measures are also forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause our actual results to differ materially from those anticipated as of the date the statements were made. These risks and uncertainties include, but are not limited to: our inability to renew our short-term leases of equipment with our customers so as to fully recoup our cost of the equipment; a prolonged substantial reduction in oil and natural gas prices, which could cause a decline in the demand for our compression and oil and natural gas production and processing equipment; reduced profit margins or the loss of market share resulting from competition or the introduction of competing technologies by other companies; changes in economic or political conditions in the countries in which we do business, including civil uprisings, riots, terrorism, kidnapping, the taking of property without fair compensation and legislative changes; changes in currency exchange rates; the inherent risks associated with our operations, such as equipment defects, malfunctions and natural disasters; governmental safety, health, environmental and other regulations, which could require us to make significant expenditures; our inability to implement certain business objectives, such as international expansion (including our ability to timely and cost-effectively execute projects in new international operating environments), integrating acquired businesses, generating sufficient cash, accessing capital markets and refinancing existing or incurring additional indebtedness to fund our business; risks associated with any significant failure or malfunction of our enterprise resource planning system, and our inability to comply with covenants in our debt agreements and the decreased financial flexibility associated with our substantial debt. A discussion of these and other factors is included in Hanover's periodic reports filed with the Securities and Exchange Commission.

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