



Schlumberger and Hanover Reinforce Their Strategic Alliance

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HOUSTON--(BUSINESS WIRE)--Jan. 23, 2004--Schlumberger (NYSE:SLB) and Hanover Compressor Company (NYSE:HC) announced today that they have sharpened their focus on their strategic alliance and will restructure its management committee to target specific geographic regions to pursue joint business opportunities.

Joining the alliance management committee from Hanover will be: Chad Deaton, president and chief executive officer, Steve Gill, vice president, worldwide sales and marketing, and Brian Matussek, vice president, domestic sales, marketing and business development. For Schlumberger, in addition to Rene Huck, vice president of Schlumberger Limited, who is currently on the committee, Kevin Forbes, president of Integrated Project Management, will join the committee.

"We are pleased with our relationship with Hanover and are committed to pursuing joint business opportunities through the alliance," commented Andrew Gould, chairman and chief executive officer of Schlumberger. "We believe Hanover's oilfield surface equipment expertise is a good complement to our down hole services and technology expertise and provides us with a unique opportunity to pursue joint opportunities in emerging international markets."

"With several non-operational issues cleaned up in 2003, including the SEC investigation and shareholder litigation, Hanover can now focus on expanding our presence in new international markets," stated Chad Deaton, Hanover's chief executive officer and president. "We feel the alliance with Schlumberger provides us an ideal platform to broaden our relationships with major international oil and gas producers and demonstrate our total solutions capabilities to meet their oilfield surface equipment needs."

The alliance between Hanover and Schlumberger was established in August 2001 as part of Hanover's acquisition of Production Operators Corporation from Schlumberger. The alliance is a five-year agreement between the two companies to promote cooperation to jointly identify and develop integrated oil field service opportunities worldwide.

About Schlumberger

Schlumberger is a global oilfield and information services company with major activity in the energy industry. The company employs 78,000 people of more than 140 nationalities working in 100 countries and comprises three primary business segments. Schlumberger Oilfield Services is the world's premier oilfield services company supplying a wide range of technology services and solutions to the international oil and gas industry. WesternGeco, jointly owned with Baker Hughes, is the world's largest and most advanced surface seismic company. SchlumbergerSema is a leading supplier of IT consulting, systems integration, and network and infrastructure services. In 2003, Schlumberger operating revenue was \$13.9 billion. For more information, visit www.slb.com.

About Hanover Compressor

Hanover Compressor Company (www.hanover-co.com) is 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. Hanover sells and provides this equipment on a rental, contract compression, maintenance and acquisition leaseback basis to oil and natural gas production, processing and transportation companies that are increasingly seeking outsourcing solutions. Founded in 1990 and a public company since 1997, Hanover's customers include both major and premier independent producers as well as national oil companies.

Certain matters discussed in this document regarding Hanover 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. 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. All forward-looking statements are subject to risks and uncertainties that could cause Hanover's 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: Hanover's inability to renew Hanover's short-term leases of equipment with Hanover's customers so as to fully recoup Hanover's cost of the equipment; reduced profit margins or the loss of market share resulting from competition or the introduction of competing technologies by other companies; legislative changes or changes in economic or political conditions in the countries in which we do business; the inherent risks associated with Hanover's operations, such as equipment defects, malfunctions and failures and natural disasters; governmental safety, health, environmental and other regulations, which could require us to make significant expenditures; Hanover's inability to implement certain business objectives such as integrating acquired businesses, implementing Hanover's new enterprise resource planning systems, generating sufficient cash, accessing capital markets, refinancing existing or incurring additional indebtedness to fund Hanover's business, executing Hanover's exit and sale strategy with respect to assets classified on Hanover's balance sheet as discontinued operations and held for sale, and concluding the agreed-upon settlement of Hanover's securities-related litigation; Hanover's inability to comply with covenants in Hanover's debt agreements and the decreased financial flexibility associated with Hanover's substantial debt; and fluctuations in Hanover's net income attributable to changes in the fair value of Hanover's common stock that will be used to fund the settlement of the securities-related litigation. 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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