



Universal Compression Expands Fabrication Operations with Acquisition of B.T. Engineering

January 18, 2007

HOUSTON, Jan. 18 /PRNewswire-FirstCall/ -- Universal Compression Holdings, Inc. (NYSE: UCO) today announced that it has acquired B.T. Engineering Pte Ltd ("BTE"), a leading Singapore-based fabricator of oil and gas, petrochemical, marine and offshore equipment, including pressure vessels, FPSO (floating production, storage and offloading) process modules, terminal buoys, turrets, natural gas compression units and related equipment. BTE currently has approximately 400 full-time and contract employees and a fabrication yard of approximately 45,000 square meters, including a workshop facility of approximately 7,000 square meters, and 270 meters of waterfront.

"The BTE operation is an excellent addition to our international activities and a strategic complement to our existing fabrication capabilities," said Brad Childers, Senior Vice President and President of Universal's International Division. "With this transaction, Universal has expanded its product offering to meet a wider range of production-related customer requirements and added a centrally-located operation for the cost-efficient fabrication of compressor equipment for Asia-Pacific and other markets."

"BTE is pleased to be joining forces with Universal Compression," said B.T. Gay, BTE's founder and Chief Executive Officer. "We will continue our commitment to provide quality fabrication products and services to BTE's existing customers and traditional markets while also working to expand the market penetration of Universal's compression business lines."

"We are excited about this opportunity to expand our fabrication operations," said Stephen A. Snider, Universal's Chairman, President and Chief Executive Officer. "We look forward to working with the outstanding BTE management, administrative and fabrication employee team as we continue to seek growth opportunities in key international markets. In conjunction with this expansion of our global fabrication capacity, we plan to establish the regional headquarters for our Asia-Pacific operations in Singapore. Universal's current Asia-Pacific business includes natural gas compressor sales and service operations in Australia, China, Indonesia and Thailand."

Universal Compression Holdings, Inc., headquartered in Houston, Texas, is a leading natural gas compression services company, providing a full range of contract compression, sales, operations, maintenance and fabrication services to the domestic and international natural gas industry. Universal operates in North America, South America, Europe, Africa, Asia and Australia, employs over 3,000 people worldwide, had revenue of US\$807 million in 2005 and has a current equity market capitalization of approximately US\$1.8 billion. Additional company information is available through our website, www.universalcompression.com.

Forward-Looking Statements

Statements about Universal's outlook and all other statements in this release (and oral statements made regarding the subjects of this release) other than historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and factors, many of which are outside Universal's control, which could cause actual results to differ materially from such statements. Forward looking information includes, but is not limited to, statements regarding Universal's continued growth aspirations in international markets. While Universal believes that the assumptions concerning future events are reasonable, it cautions that there are inherent difficulties in predicting certain important factors that could impact the future performance or results of its business. Among the factors that could cause results to differ materially from those indicated by such forward-looking statements are the conditions in the oil and gas industry, including a sustained decrease in the level of supply or demand for natural gas and the impact on the price of natural gas; employment workforce factors, including our ability to hire, train and retain key employees; our ability to timely and cost-effectively obtain components necessary to conduct our business; and changes in political or economic conditions in key operating markets, particularly international markets.

These forward-looking statements are also affected by the risk factors, forward-looking statements and challenges and uncertainties described in Universal's Transition Report on Form 10-K for the nine months ended December 31, 2005 and those set forth from time to time in Universal's filings with the Securities and Exchange Commission ("SEC"), which are available through our website, www.universalcompression.com, and the SEC's website, www.sec.gov. Universal expressly disclaims any intention or obligation to revise or update any forward-looking statements whether as a result of new information, future events, or otherwise.

SOURCE Universal Compression Holdings, Inc.
01/18/2007

CONTACT: David Oatman, Vice President, Investor Relations, +1-713-335-7460, of Universal Compression Holdings, Inc.

9558 01/18/2007 09:14 EST <http://www.prnewswire.com>