



Hanover Awarded New Service Contract with BP America

October 2, 2003

HOUSTON--(BUSINESS WIRE)--Oct. 2, 2003--Hanover Compressor Company (NYSE:HC), a leading provider of surface equipment and services to the global energy industry, announced today that it has been awarded a maintenance service contract with BP America Inc. covering all of BP America's compression equipment and engine driven generator packages in the Continental Shelf and Deepwater Gulf of Mexico. The contract is a three-year agreement that includes overall project management of preventative, routine and other maintenance, including labor and materials, parts management and required engineering services.

"We are excited about this opportunity to broaden our relationship with BP," said Chad Deaton, president and chief executive officer of Hanover. "This contract represents a significant milestone for Hanover as we look to continue to expand our operations and maintenance service product offerings."

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 oil and gas producers as well as national oil and gas companies.

Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because of the context of the statement and may include words such as "believes," "anticipates," "expects," "estimates," or words of similar import. Similarly, statements that describe Hanover's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from those anticipated as of the date of this press release. These risks and uncertainties include: our inability to renew our short-term leases of equipment that is leased to 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 gas production equipment; reduced profit margins resulting from increased pricing pressure in our business; the loss of market share through competition; the introduction of competing technologies by other companies; changes in economic or political conditions in the countries in which we do business; currency fluctuation; losses due to the inherent risks associated with our operations, including equipment defects, malfunctions and failures and natural disasters; governmental safety, health, environmental and other regulations, which could require us to make significant capital expenditures; legislative changes in the countries in which we do business; our inability to successfully integrate acquired businesses; our inability to properly implement new enterprise resource planning systems used for integration of our businesses; our inability to retain key personnel; war, social unrest, terrorists attacks, and/or the responses thereto; our inability to generate sufficient cash, access capital markets or incur indebtedness to fund our business; our inability to comply with loan and compression equipment lease covenants; the decreased financial flexibility associated with our significant cash requirements and substantial debt and compression equipment lease commitments; our inability to reduce our debt relative to our total capitalization; our inability to execute our exit and sale strategy with respect to assets classified as discontinued operations and held for sale; our inability to conclude the agreed upon settlement of the securities-related litigation and adverse results in other litigation brought by plaintiffs that are not party to the settlement; fluctuations in our net income attributable to changes in the fair value of our common stock which will be used to fund the settlement of the securities-related litigation; and adverse results in the pending investigation by the Securities and Exchange Commission. A discussion of these factors is included in the Company's periodic reports filed with the Securities and Exchange Commission. The forward-looking statements included in this press release are only made as of the date of this press release and, except otherwise required by law, Hanover undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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SOURCE: Hanover Compressor Company