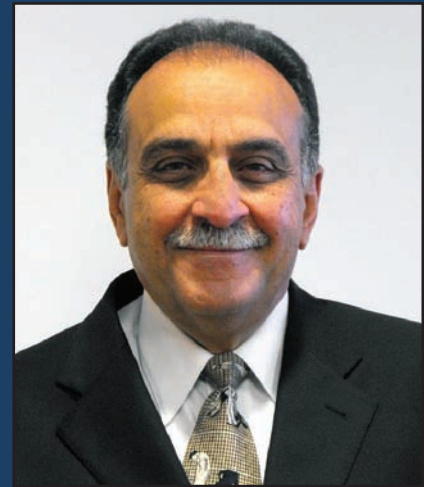


CANDID visions



*Sammy Antoun,
vice president and general manager
Middle East and North Africa*

DRESSER-RAND ARABIA TO SERVE AS HUB OF BUSINESS ACTIVITY IN THE MIDDLE EAST AND NORTH AFRICAN REGION

***Editor's Note:** In March, Dresser-Rand entered into a long-term corporate procurement agreement (CPA) with the state-owned oil company of the Kingdom of Saudi Arabia, Saudi Aramco. Insights staff spoke recently with Sammy Antoun, Dresser-Rand's vice president and general manager of the Middle East and North Africa (MENA) region, about the agreement and what it means for Dresser-Rand and its clients.*

Saudi Aramco is a fully integrated, global petroleum enterprise and a recognized leader in exploring, producing, refining, distributing, shipping, and marketing worldwide. It manages proven reserves of 260 billion barrels of crude oil and the fourth largest gas reserves in the world (253.8 trillion cubic feet). Its headquarters are in Dhahran, Saudi Arabia, and the company employs more than 54,000 people worldwide.

***insights:** How will the CPA benefit Saudi Aramco and other clients in the Middle Eastern region?*

Antoun: Each alliance agreement Dresser-Rand enters into is unique. To date, we've concluded

more than 50 such agreements – the majority with oil and gas companies.

These 50+ clients realized that the transactional approach to buying equipment wasn't providing the true value they were looking for. Instead, they sought a single-source supplier with advanced technology and a large portfolio of responsive service capabilities to maximize their productivity and lower their total cost of ownership. In turn, we work hard to ensure that our range of products, service capabilities, expertise, and business solutions are coordinated to meet their requirements. This strengthens our relationships and ensures mutual success.

This particular agreement is unique because we're committed to local presence on a large scale. For example, plans are underway to build a 120,000 square foot (11,000 square meters) facility in the Kingdom to serve as a center of excellence for manufacturing, repairs, service, technical expertise, and training. The new operation, Dresser-Rand Arabia, will be in the form of a joint venture with our long-term business associate, Al-Rushaid Petroleum Investment Company of Saudi Arabia.

***insights:** What does the CPA entail?*

Antoun: The agreement addresses terms and conditions of the sale, technical specifications, sale price, joint research and development, and

local service capabilities. Most importantly, it demonstrates our commitment to doing business in this region.

Dresser-Rand was chosen as the first compressor and steam turbine manufacturer under this type of agreement with Saudi Aramco. They conducted extensive research on various suppliers before concluding that we were the best supplier to satisfy their needs for rotating equipment and service – now and in the future.

***insights:** Dresser-Rand recently announced a new region - Middle East and North Africa (MENA). Why was this dedicated region created?*

Antoun: MENA is the world's most active oil and gas region, and Saudi Aramco is one of the world's largest oil producing companies with an average output range of 9 to 10.5 million barrels of oil per day (MMBPD). More than 40 percent of all oil production and more than 60 percent of all known reserves reside in this region. So it deserves our dedicated attention and focus with local capabilities to supply equipment and services.

***insights:** How will Saudi Aramco and other clients in the region benefit from the opening of Dresser-Rand Arabia and the recent opening of the service center in Abu Dhabi?*

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Antoun: Dresser-Rand Arabia is intended to serve Saudi Aramco and other clients in the Kingdom of Saudi Arabia, including selected clients in the Gulf Region.

This facility, and the new Abu Dhabi service center, will enhance new equipment and service capabilities for all of our regional clients. Ultimately, we plan to package complete centrifugal and reciprocating compressors and manufacture standard single-stage steam turbines. Our field service response time will be much faster because service personnel will be stationed within a few hours of most of our clients in the Middle Eastern region. And clients will benefit from having to travel much less to Europe or the U.S. to inspect their new equipment and repairs.

insights: *How long has Al-Rushaid Petroleum Investment Co. been a Dresser-Rand business associate, and in what capacity?*

Antoun: Affiliates of Al-Rushaid Petroleum Investment Company have been active partners of Dresser-Rand and Dresser Industries for nearly 30 years. Dresser Industries and Al-Rushaid have been involved in many joint ventures to manufacture various types of equipment in the Kingdom. (Dresser Industries and Ingersoll-Rand entered into a partnership agreement for the formation of Dresser-Rand Company in 1986.)

insights: *When will Dresser-Rand Arabia officially open for business?*

Antoun: Right now, detailed drawings of the facilities have been finalized.

Machine tools, lifting capacities and power and steam requirements have been specified. The Joint Venture's plan is to break ground this fall, and officially open the facilities for business in Spring 2010.

insights: *What is Dresser-Rand's involvement with King Fahd University of Petroleum and Minerals?*

Antoun: This university is one of the leading technical institutes in the Middle East. Here, suppliers can engage in joint research and development programs that benefit local energy markets – whether it's oil, gas, power generation, or mining.

We're already planning joint research projects involving Saudi Aramco, King Fahd University, Lehigh University (Bethlehem, Pennsylvania), and Dresser-Rand.

insights: *Will Dresser-Rand Arabia be dedicated to servicing all brands of rotating equipment or primarily Dresser-Rand nameplate equipment? What type of equipment will the facility manufacture?*

Antoun: D-R Arabia will be dedicated to servicing most brands of rotating

equipment, in addition to offering full service capabilities for electric motors and generators.

insights: *Vince Volpe, D-R's president and CEO, noted in the news release announcing the CPA that "Our vision is to create a center of excellence in the Kingdom." How, specifically, does Dresser-Rand intend to achieve this vision?*

Antoun: What is a center of excellence? There's the physical building and its equipment of course, but it's more than that. The most important component of such a center is experienced, dedicated and enthusiastic employees. This is the first time in my 38 years with Dresser-Rand that the Company is building grass root facilities in this region. The level of enthusiasm, motivation and support that I've seen throughout the last few months is unprecedented. And I'm proud to say that we're well on our way to achieving our vision. With this level of support, we simply cannot fail. ■



Esam Mousli, vice president of Materials Supply for Saudi Aramco, and Vincent R. Volpe Jr., president and CEO of Dresser-Rand, sign the CPA while Sammy Antoun looks on.