

## **Dresser-Rand Selected to Supply Its First Integrated Compression System for Petrobras' Offshore Platform**

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Dresser-Rand Group Inc. ("Dresser-Rand" or the "Company") (NYSE: DRC), a global supplier of rotating equipment and aftermarket parts and services, announced today that it will supply its first Integrated Compression System(TM) (ICS(TM)) to boost the gas compression capacity on the Petrobras P-18 semi-submersible platform which operates in the Marlin oil field, in the Campos Basin.

Dresser-Rand received a letter of authorization in May 2007 to supply and test a production ICS unit. The value of the agreement is estimated at more than \$11 million USD and is expected to be signed in August 2007.

Dresser-Rand has developed new integrated separation and centrifugal compression technology that gives oil and gas producers and pipeline transportation companies the ability to significantly reduce the overall size and weight of the required compression equipment particularly that installed aboard offshore production facilities. It is designed to be used onshore and aboard fixed and floating offshore platforms as well as in subsea production modules.

A key attribute of the ICS is that it turns "compressors" into compact, "compression systems," said Jesus Pacheco, the company's executive vice president, New Equipment Worldwide. "We believe this attribute also makes the ICS uniquely suited for developing subsea applications," he said. "Because the compressor, motor, separation system and gas coolers are contained in the same process module, the system can be installed as a single unit, eliminating the need for large, stand-alone separators. As opportunities for subsea compression emerge, the Company expects the ICS system to offer the best solutions for providing real value to clients with seabed production operations."

Dresser-ICS is an advanced technology platform that uses high-efficiency DATUM(R) centrifugal compressor technology driven by a high speed, close-coupled motor. The compressor rotor incorporates an integrated rotary gas-liquid separation unit. The compression system is completed with process gas coolers, all packaged into a single module. The ICS provides a complete compression system for applications in upstream, midstream and downstream markets, exhibiting the industry's smallest footprint - with reduced weight - at the lowest total installed cost.

According to Pacheco, "traditional compression modules typically are large and heavy structures that are expensive and require lengthy production time. But that's all changed with this breakthrough technology'.

"With its integrated approach, the ICS compression module can reduce the total footprint exhibited by traditional modules by up to 65%, while cutting the weight approximately in half," said Pacheco. "The ICS is smaller, it's lighter, and it takes less time to manufacture and assemble. The constraints of P-18 are typical of existing platforms around the globe, space and weight restrictions are significant while gas handling requirements to meet production targets have increased. The ICS is a technology that allows users to install additional compression within those constraints to address their increased gas handling needs at a very attractive total installed cost.

By incorporating the company's DATUM centrifugal compressor and rotary separation technologies, ICS performance is competitive with conventional equipment, particularly when suction scrubber and inlet piping losses associated with traditional technology are considered, he noted.

According to Dresser-Rand, its DATUM line, introduced in 1995, set the standard for modular centrifugal compressor design and high-efficiency performance, improving their serviceability to lessen downtime and lower overall life-cycle costs. The DATUM's high speed, close-coupled motor ensures a compact, cost-effective design that's environmentally friendly, as well.

Integration of advanced rotary separation technology (RST) gives the ICS the ability to handle dry or wet gas application. The RST provides an efficient and compact method for gas-liquid separation that uses centrifugal forces to separate gas from oil and water, as well as remove solids from the product flow. Additionally, Dresser-Rand has developed an in-line, rotary separator (IRIS(R)) for separating liquids from gas streams. This technology achieves equal or better efficiencies than gravity-based systems, yet is significantly more compact.

About Dresser-Rand

Dresser-Rand is among the largest suppliers of rotating equipment solutions to companies that operate in the worldwide oil, gas, petrochemical, and process industries. Dresser-Rand operates manufacturing facilities in the United States, France, Germany, Norway, and India, and maintains a network of 26 service and support centers worldwide.

This news release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward- looking statements concerning The Company's plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, business trends, executive compensation and other information that is not historical information. The words "anticipates," "believes," "expects", "intends," and similar expressions identify such forward-looking statements. Although the Company believes that such statements are based on reasonable assumptions, these forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. These factors, risks and uncertainties include, among others, the following: material weaknesses in its internal controls; economic or industry downturns; its inability to implement its business strategy to increase aftermarket parts and services revenue; competition in its markets; failure to complete or achieve the expected benefits from, any future acquisitions; economic, political, currency and other risks associated with international sales and operations; loss of senior management; the Company's brand name may be confused with others; environmental compliance costs and liabilities; failure to maintain safety performance acceptable to its clients; failure to negotiate new collective bargaining agreements; ability to operate as a stand-alone company; unexpected product claims and regulations; and infringement on its intellectual property or infringement on others' intellectual property. These and other risks are discussed in greater detail in the Company's filings with the Securities and Exchange Commission at <http://www.sec.gov>. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. The Company can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them does, what impact they will have on results of operations and financial condition. The Company undertakes no obligation to update or revise forward-looking statements, which may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. For information about Dresser-Rand, go to its website at <http://www.dresser-rand.com>.

DATUM(R) is a registered trademark of Dresser-Rand Company.

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