

PRESS RELEASE

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Yokogawa Excels And Wins 60M EUR Automation Project Phase 2 of NAM Project Awarded To Best-In-Class Supplier

Tokyo, Japan – Yokogawa Electric Corporation announced the award of a project estimated to be worth more than EUR 60M. The gas renovation project by the Nederlandse Aardolie Maatschappij B.V. (NAM), was awarded to the STORK-GLT consortium, of which Yokogawa Europe is a member.

The facilities are located in the province of Groningen. STORK GLT is a consortium, which consists of Stork Industry Services (construction and maintenance management), Jacobs Engineering Group (design), Siemens Demag Delaval Turbomachinery (compressors), Siemens (Compressor Motors) and Yokogawa (instrumentation and automation). This order is for the further renovation of the giant Groningen gas field by upgrading the existing facilities and adding compression and additional automation. The total order has a value of EUR 800 – 900 M–, and will secure Groningen gas production for another 40 years.

Yokogawa, as a member of the STORK-GLT consortium, provides design, supply, installation and maintenance of the entire gas field wide automation system for this newly renovated heart of the Dutch gas industry. Yokogawa joined the consortium in 1996 and together with NAM developed a Fieldwide Control System to ensure everyone's objectives of innovative technology, best in class performance and highest possible quality. The Fieldwide Control System will provide a fully automated, unmanned control operation of all 29 clusters and 296 gas wells from a single central control room.

"Gas markets in Europe are now commercialized and it is quite important for us to respond rapidly to market demands. Therefore, high availability and a high level of integrity together with minimum TCoO are the expectation of NAM for the control system", said Henk Niezen, project manager of NAM. "We know Yokogawa's products are reliable and robust as proven on the first phase of the project and I am sure that Yokogawa, as a strategic business partner, can meet our expectation for the second phase as well," he said.

"The project is very challenging to Yokogawa since the system may grow to be the largest unmanned, remotely-operated system in the world", said Akira Nagashima, Executive V.P. System Business Unit. "This is the system concept that Yokogawa is targeting as our future and it is very exciting for us to work for this prestigious project as the Main Instrument Vendor as part of the STORK–GLT consortium. We will be securing the future gas supply for The Netherlands and Europe."

Yokogawa was selected on the basis of several factors, including best-in-class performance demonstrated during the first phase of the project as well as superior product quality, leadership and professional performance.

The gas clusters Tjuchem, Bierum, de Paauwen and Siddeburen have been renovated and are fully automated with Yokogawa systems. At this moment, STORK-GLT is working on six more gas clusters. The second phase will take another 8 years (out of the project 25 year total) and requires about 2500 man-years of additional work.

About The Netherlands Aardolie Maatschappij B.V. (NAM)

In 1959, NAM (Nederlandse Aardolie Maatschappij), a 50/50 exploration and production joint venture of Shell and Esso (with Shell as operator), discovered large amounts of natural gas at Slochteren, in the province of Groningen. It turned out to be one of the largest gas reservoirs in the world. A find considered so important by the Dutch government that a dedicated distribution company, Gasunie, was founded in the early sixties. Gasunie is half state-owned; the other half is split between Shell (25%) and Esso (25%). NAM was granted the concession to produce gas from the Groningen field.

With an ultimately recoverable reserve of some 2700 billion cubic meters of natural gas, the Groningen field in the northern part of the Netherlands is one of the worlds largest. The natural pressure in the field was so high that when the first well was drilled, in 1959, there was no need for compression to feed the gas to the distribution network for many years.

For the operator – Nederlandse Aardolie Maatschappij (NAM) – in order to continue its role of swing producer and to ensure access to the remaining reserves, depletion compression appeared necessary from 1998 onwards.

Ultimately, all 29 production clusters of the Groningen system will be fitted with compressors. At the same time, the aging production installations will be renovated and upgraded. Total investment cost is up to EUR 1,95 billion. That investment will guarantee the Netherlands a continuing supply of natural gas for several decades.

About Stork GLT

Stork GLT designs, renovates and maintains new production facilities for the Groningen Natural Gas field, which is operated by the Nederlandse Aardolie Maatschappij (NAM).

NAM specified that standardization and integration of expertise had to be combined with high quality and minimum Total Cost of Ownership for the realization of this project. The companies Jacobs Engineering Group (design), Stork Industry Services (construction and maintenance management), Siemens Demag Delaval Turbomachinery (compressors), Siemens (compressor motors) and Yokogawa (instrumentation and automation) teamed up and won the design competition organized by NAM with the best proposal out of three alternatives. What started as an integrated project team during the design competition, was transformed into the company named STORK GLT after being awarded two contracts in November 1996. The initial renovation contract is for 11 production facilities in the Groningen Gas field. The contract duration is for 10 years. In addition Stork GLT was awarded a contract to maintain the facilities renovated by Stork GLT for a period of 25 years (up to 31.12.2022). By also selecting Stork GLT for the renovation of the remaining 18 facilities, Stork GLT is now in charge with the upgrading of all the 29 facilities of the Groningen Natural Gas field.

For more information about STORK GLT, please visit our website at www.storkgl.nl.

About Yokogawa

Yokogawa's global network of 18 manufacturing facilities, 67 affiliate companies, and over 200 sales and engineering offices span 28 countries. Since its founding in 1915, the US\$3 billion company has been engaged in cutting-edge research and innovation, securing over 4,500 patents and registrations, including the world's first DCS and digital flow and pressure measurement sensor. Test and measurement systems, industrial automation, and information services are the core businesses of Yokogawa. For more information about Yokogawa Electric Corporation, please visit our website at www.yokogawa.com.

About Yokogawa Corporation of America

Yokogawa Corporation of America is the North American unit of \$3 billion Yokogawa Electric Corporation, a global leader in the manufacture and supply of instrumentation, process control, and automation solutions. Headquartered in Newnan, Georgia, Yokogawa Corporation of America serves a diverse customer base with market-leading products including analyzers, flowmeters, transmitters, controllers, recorders, data acquisition products, meters, instruments, distributed control systems, and more.

For more information about Yokogawa Corporation of America, visit us.yokogawa.com, call 770-254-0400, or toll-free at 800-258-2552.