

PRESS RELEASE

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Yokogawa Wins Major Distributed Control System Project in Oman

Tokyo, Japan - Yokogawa Electric Corporation announces that Yokogawa Middle East, its subsidiary in Bahrain, has been selected to be the main instrument vendor (MIV) for the design, engineering and supply of a process automation system (PAS) for the Saih Nihayda Gas Plant that is being built by Petroleum Development Oman (PDO)

The order was awarded by the SNC Lavalin/AI Hassan Joint Venture, Calgary, Canada which is the main contractor (EPC). This is the first major PDO project for Yokogawa that includes the CENTUM CS3000 R3 integrated control system with Foundation fieldbus technology.

As part of the Central Oman Expansion – Phase I, PDO is building this gas plant to develop the Saih Nihayda deep gas reservoirs and prepare for anticipated growth in the demand for natural gas. The scope of Yokogawa's involvement includes engineering, factory acceptance testing (FAT), the CENTUM CS3000 distributed control system (DCS), an instrumented protective system (IPS), a fire & gas system (FGS), and remote terminal units (RTU) / master terminal units (MTU) for the wellheads along with related hardware and software. The gas plant is scheduled to go into operation in November 2004.

PDO intends to make maximum use of the FOUNDATION fieldbus technology in this project. Yokogawa will provide a total of 36 dual redundant fieldbus segments connecting approximately 300 fieldbus devices including transmitters and valve positioners. Fieldbus technology will be used to reduce start-up and commissioning costs as well as to integrate device diagnostic information into the control systems, which will have the added benefit of lowering operating and maintenance costs.

Mr. Tormod Vold, Engineering Manager of PDO's Government Gas Department, says "The new gas plant is very important for PDO because it will supply a significant portion of the gas going into the Oman gas network, which several large industry users in Oman rely on for their feed stock. While a separate PDO gas production project is using Yokogawa's new STARDOM network control system, this large gas processing plant project in central Oman will depend on the Yokogawa CENTUM CS 3000 R3 integrated control system for uninterrupted and safe gas production. We expect a significant contribution from Yokogawa's experienced project execution team and their reliable technology."

"This award is a big step for Yokogawa Middle East because it solidifies our fieldbus and engineering abilities in the region. We have the best and most complete fieldbus solution and it's good to see the industry recognize our achievement", says Teruyoshi Minaki, Senior Vice President of the International Business Headquarters.

About PDO

Petroleum Development Oman is the major exploration and production company in the Sultanate of Oman. It accounts for more than 90% of the country's crude-oil production and nearly all of its natural-gas supply. The Company is a joint venture between the Government of Oman (which has a 60% interest), the Royal Dutch/Shell Group (which has a 34% interest), Total (which has a 4% interest) and Partex (which has a 2% interest). The first economic find of oil was made in 1962, and the first consignment of oil was exported in 1967.

About Yokogawa Middle East

Yokogawa Middle East (YME) was originally founded as a maintenance services company. In little more than a decade, YME has established itself as one of the fastest growing and leading providers of totally automated advanced process automation and control systems in the region.

Today, YME has expanded to a well structured sales, engineering and service network in the region with about 100 employees, seven offices and nine representative offices. Within the region, there are now 194 separate Yokogawa system installations of which 69 have been fully engineered and executed by YME. YME places great emphasis on sales, technical services and training.

About Yokogawa

Yokogawa's global network of 29 manufacturing facilities, 101 affiliate companies, and over 500 sales and engineering offices span 29 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 distributed control system and digital flow and pressure measurement sensor. Test and measurement systems, industrial automation, and information services are the core businesses of Yokogawa. More information about Yokogawa can be found on the www.yokogawa.com website.

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.