

Press Release

Stord, 24 June 2013

Advantec invests in the oil service company NTOS in Ågotnes

Advantec AS, located in Stord, has signed an agreement to invest in NTOS Holding AS, and to acquire all the shares in NTOS AS (“NTOS” or “the Company”), with its head office in Ågotnes, Sotra, and a subsidiary in Kleppestø, Askøy. The management in NTOS will continue with a 40% ownership in NTOS Holding.

NTOS delivers hydraulic systems, products and services to the oil and gas market, and is one of the leading companies within this segment at the subsea base CCB in Ågotnes, west of Bergen. NTOS was established in 2001 as Norwegian Test & Oil Service AS. The Company was merged with Interhydraulikk AS in 2010 and the name was officially changed to NTOS AS in 2011. NTOS has 48 employees and delivered a turnover of NOK 98 million in 2012.

NTOS is an innovative manufacturer of hydraulic systems and solutions, and has invested in rental systems and equipment that can be used by their customers both on- and offshore for flushing and commissioning of hydraulic systems. This includes both rental of tools and equipment for use on subsea production systems, as well as drilling and production equipment for the oil industry. The Company is also a distributor of Parker Hannifin components and equipment, and has two well assorted Parker Stores. NTOS also offers engineering services and develops advanced hydraulic power units as well as winches and reels for umbilicals that are used during drilling operations and well intervention on the seabed. In addition, the Company is a supplier of hydraulic equipment for life boat davits that are delivered to international ship yards.

“We are at the stage where we see the need for more resources to develop NTOS further”, says Raymond Myre, CEO and Founder of NTOS. “Through Advantec, we will get access to a number of engineers who will help develop the company further, operators and technicians with skills within hydraulics to facilitate additional and larger projects, in addition to financial muscles giving support for further growth, especially for investing in new rental systems.

“Advantec has been following NTOS for a few years and we had set a strategic goal to establish presence within the subsea centre of Ågotnes, where many of the world’s leading manufacturers of subsea well equipment are located”, says Magnar Aaland, CEO of Advantec AS. “As the opportunity came to invest in NTOS, we feel that this is a strategically right choice as the two companies supplement each other technologically, operationally and commercially. We believe that NTOS will continue its growth as a part of the Advantec Group, and will through this acquisition get access to

resources to develop further. The chemistry between the management teams has been good throughout the process, and we are looking forward to working together”, says Aaland.

The newly established NTOS Holding AS will buy all the shares in NTOS, where Advantec will be the largest shareholder with 60% of the shares, and the management and key employees in NTOS will own the remaining 40%.

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***NTOS** is a specialist within hydraulic systems, and designs and manufactures hydraulic power units (HPUs) for the oil industry, with rental equipment for testing, maintenance and service of such systems. The Company also produces reels for umbilicals for use on blow-out preventers and other subsea equipment. NTOS is a major supplier of hydraulic equipment for life boat davits to international ship yards. Read more at www.ntos.no.*

***Advantec**, established in 2005 and a 100% owned subsidiary of Advantec Holding AS, is a supplier of electro hydraulic control systems (Workover Control Systems) for the global subsea oil and gas market. The Company has 310 employees in four countries, and expects a turnover of more than NOK 500 million in 2013. Advantec develops and produces electro hydraulic control systems to manage and monitor well equipment and security equipment on the seabed. A large part of the business is related to service and maintenance of the equipment, as well as rental systems for the international market. Advantec also assists with project support for field development and modification projects within instrumentation, electronics, mechanical, hydraulic and safety systems on rigs and ships. Advantec's head office is in Stord, and the Company has subsidiaries in Oslo, Hammerfest and Stavanger as well as Aberdeen in Scotland and Houston in the US. The Company has a sales office in Rio de Janeiro, Brazil. Read more at www.advantec.no.*