



## **National-Oilwell And Ansaldo To Reach Accord On Drilling Control Systems**

April 14, 1997

HOUSTON, TEXAS, APRIL 14, 1997 - National-Oilwell, Inc. (NOI/NYSE) and ANSALDO announced today that they have signed a letter of intent for the purchase by National-Oilwell of the Ross Hill Controls drilling business from Ansaldo Ross Hill. The business involves the manufacture, sale and service of innovative electrical control systems used in conjunction with drilling operations and has been one of the product lines of Ansaldo Ross Hill at its Houston, Texas facility.

Joel Staff, Chairman, President and CEO, stated "National-Oilwell has had a long history of providing Ross Hill Controls drilling products and services to our drilling contractor customers. The Ross Hill Controls operation of Ansaldo Ross Hill has attained worldwide leadership in the manufacture of SCR units for land and marine drilling rigs. This acquisition is consistent with our growth strategy and will enable us to provide instruments and control devices that improve efficiency and safety in drilling operations."

Robert Tranchon, President, Ansaldo Ross Hill, stated "The sale of Ansaldo Ross Hill's drilling business, though a small part of the company's activities, is in concert with our strategy to focus on and invest in our core businesses of variable frequency drives, industrial DC Drives, and Automation Systems. We can now apply greater resources to our efforts in support of our cost improvement, product development and market share goals."

National-Oilwell is a worldwide leader in the design, manufacture and sale of machinery and equipment and in the distribution of maintenance, repair and operating products used in oil and gas drilling and production. The company's machinery and equipment include drawworks, mud pumps and power swivels, which are the major mechanical components of rigs used to drill oil and gas wells. The company distributes products and provides services from a network of approximately 120 service centers and from its Houston headquarters.

Ansaldo Ross Hill, a subsidiary of the Italian ANSALDO group, one of the major European electro-mechanical manufacturers, is a leading supplier of custom engineered variable speed drives, automation systems and industrial motors. ANSALDO's leadership position in the development of large and high speed motors and automation experience in the metals, paper and process industries have complemented Ansaldo Ross Hill's ability to serve customer needs worldwide from its ISO 9001 Certified facility in Houston, Texas.