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S2M's Magnetic Bearings Technology Chosen for Key Liquid Gas Development

S2M, an SKF group Company, Vernon-based world leader in magnetic bearings, has signed a \$ 1.4 million contract with Mafi-Trench of California for the supply of magnetic bearings to equip 6 turbo-expanders for floating liquefied natural gas storage units.

Mafi-Trench part of the Atlas Copco Group, a leading supplier of turbo-expanders for the oil and gas industries, chose S2M's magnetic bearings because of their proven reliability in the oil and gas industry around the world, their oil-free running ensuring longer maintenance periods with the elimination of stocks of lubricating oil, and their ability to run reliably at low temperatures.

Initially, S2M will supply 6 sets of AMBs (12 Active Magnetic Bearings) during Q2 2010 for the turbo-expanders which will equip the first of 4 floating units being built by Samsung Heavy Industries for FlexLNG, and destined for a Nigerian offshore gas field. Delivery of that floating unit is planned for Q2 2012 and the second unit, for an oil rig off the coast of Papua New Guinea, will follow 6 months later. The third and fourth units will follow at 6 month intervals.

S2M's magnetic bearings will be a key component in the turbo-expanders used in the cryogenic nitrogen loop for liquefaction of the natural gas on the barges stationed over the wells.

The demand for natural gas, and therefore for LNG (liquefied natural gas), is expected to increase considerably in the next 10 years, and to meet the higher level of consumption a proportion of supplies will need to come from smaller or medium-sized sources, which conventional extraction equipment is too costly to exploit profitably.

The flexibility and efficiency of floating liquefaction and storage units, known as FLNGs or FPSOs (Floating production storage and offloading units), mean that these smaller, short-lived sources are now accessible economically. Floating barges are less costly, easier to install and most importantly, can easily be moved to a new location when the well is exhausted. Consequently an entirely new market is available for suppliers of the hi-tech equipment, such as magnetic bearings, required to operate efficiently with a minimum of maintenance in the difficult marine environment.

Commenting on the project, Yves Destombes, S2M's Sales Manager, Oil and Gas Markets, said, «S2M can only remain the unchallenged leader in the magnetic bearings market by continuing to innovate, so as to offer our clients solutions for tomorrow's world. This project is a good example of this: global natural gas reserves include some 2400 small and medium-sized wells which have remained unexploited until today, because conventional technology could not do so economically. FPSOs, with their greater flexibility and cost/output ratio, are going to open up a new LNG offshore market, and this is an opportunity for S2M to supply large numbers of bearings in the short and medium terms. A single floating unit requires 6 turbo-expanders with their bearings. This is going to be one of S2M's key markets in the years to come.»