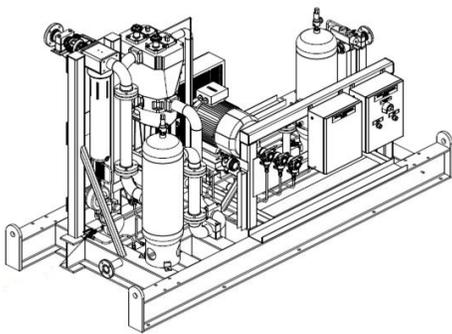


Hycomp Donates to INSTEP for Expansion

Letter from the President of Hycomp

Robert James

Hycomp is proud to donate a portion of four compressor packages that were sent to Institut Teknologi Petroleum Petronas (INSTEP) in Kuala Terengganu, Malaysia. INSTEP is being expanded as part of a technical training partnership between Petrofac and Petronas. The donation is a gesture of goodwill and support for the industry, and INSTEP in particular.



Established in 1981, INSTEP was primarily set up to train skilled technicians and operators in meeting the rapid growth of the country's petroleum industry. To date, INSTEP has trained almost 10,000 technical staff in the various facets of the oil and gas industry.

The units will be part of a new expansion of the facility to include an Upstream and Downstream Theme Park (UDTP), including two upstream plants, and one downstream plant, designed and built to replicate real units that will look and feel like the 'real thing'. For safety purposes, the facility will not involve any hazardous substances. The upstream plant will be fed with non-volatile synthetic oil to simulate crude oil, and nitrogen will simulate the associated natural gas. The downstream plant will utilize an ethylene glycol/water mix to mimic crude oil, and nitrogen to mimic the hydrogen re-

quirement. The four Hycomp compressors will simulate offgas and recycle compressors in the plants. Hycomp is pleased to be a part of this educational facility.



Lisa Perkes

New Hycomp Marketing Specialist

Hycomp is pleased to announce the addition of Lisa Perkes, a marketing specialist. Lisa comes to Hycomp with a background in web design and public relations.

Lisa will be heading up the newsletter and website. For any comments or questions about the newsletter, contact her at lperkes@hycompusa.com.

Hycomp Made the List, Inc. 500|5000

For the third year in a row, Hycomp is listed on Inc. Magazine's annual Inc. 500|5000 list, an exclusive ranking of the nation's fastest-growing private companies.

Thirty two years ago (1981) Inc. Magazine began to publish an annual report of what was originally titled: "The Inc. Private 100: One Hundred of the Fastest-Growing Privately Held Companies in the United States." They have refined the title of this report and expanded it to a list of 5000 with a concentration on the top 500.

Hycomp has earned the rank of 2908 out of 5000 companies. In an industry top 100 list, Hycomp was ranked at 61 on the list of top manufacturing companies; in 2011 Hycomp was listed at 91.

From 2008 to 2012 Hycomp has experienced a growth of 226%. Hycomp's Sales and Marketing Manager, Martin Malzahn attributes our constant growth to having

a niche in the manufacturing market and a great ability to customize.

"We grow because we provide service to our customers." said Martin.

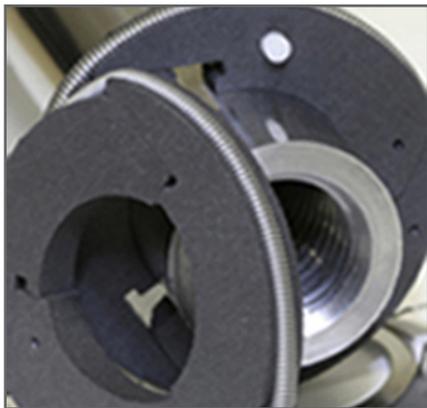
We continue to push forward by researching new markets and applications where our compressors and boosters can provide quality solutions. Our niche market is increasing, and we look forward to more growth at Hycomp.



Helium Shortage Creates Need for Reclaim Compressors

Whether you have noticed or not, a global shortage in helium (He) has existed since May of 2012. Have you recently tried to buy a floating balloon for your kid's birthday party? You will have a hard time finding helium to fill the balloons and if you do, it is very expensive to purchase. This shortage has now reached a level the U.S. Government describes as a crisis. While the causes are many, the net result is helium prices are skyrocketing while supply is diminishing.

While helium is abundant in the universe, it is rare on earth. This gas is created when heavy elements like uranium radioactively decay in the earth's crust. Most helium atoms diffuse to the surface and escape the earth's atmosphere. Only a small percent of helium



Hycomp Tangent / Tangent Gas Packings



Hycomp "L" Style Ring

atoms are trapped in the Earth's crust, much like natural gas. Helium extraction becomes economically viable in a select few deposits. Currently, the annual global use of helium is larger than the amount produced. This situation is convincing many companies to recover the helium rather than vent the gas into the atmosphere.

This is where Hycomp helium compressors have become a popular solution. Hycomp's oil free compression keeps the gas stream pure. Our gas packing arrangement keeps O₂ and other contaminants from ingressing into the gas flow. Our unique self-adjusting tangent/tangent gas packing arrangement enables Hycomp to maintain purity. One customer reported less than 5 parts per billion of oxygen.

Hycomp creates an extremely efficient piston

ring seal by using our unique 'L' style piston ring designed around a proprietary material formulated specifically for helium.

Helium generates high heat in compression. Hycomp Engineers address this challenge utilizing low compression ratios and liquid cooling.

Demand for Hycomp helium compressors has increased dramatically over the past few months and we anticipate this trend will continue. Here are a few sample applications where helium is used:



- Metal Processing
- Oil and Gas Production
- Offshore Industrial Diving (Heliox)
- Semiconductor Manufacturing
- Healthcare (MRI)
- Glass/Mineral Production
- Nuclear Energy Generation
- Aerospace
- Automotive
- Cryogenics
- Many Others

If you have questions concerning helium compressors, or any compressor for that matter, please contact Hycomp and ask for Ken Schiefer or Ben Brough.

International Hycomp

A major contributor to Hycomp's growth these past few years has been the international market. Hycomp has expanded its worldwide presence into eight new countries, increasing the number of countries that have Hycomp compressors to thirty.

According to industry experts, air and gas compressor exports are expected to increase 8.9% annually for the next five years. Hycomp has been exceeding this trend and is prepared to meet international demand. We have experience in packaging systems to ASME, ATEX, IECex, UL/NEC, CE/PED, KGS/KOSHA, GOST, and SQL standards.

As the world's awareness of Hycomp's quality and dedication to providing the best possible solution to each application increases, we expect international activity to continue increasing. We look forward to continued relationships with our international customers.



Where in the World Are Hycomp Compressors?

Each Hycomp Logo Represents a Country Where Hycomp Compressors are Located