

September 2010



**Drilling Systems International Ltd.**

*has been acquired by*



**Schoeller Bleckmann Oilfield Equipment AG**

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*The undersigned acted as exclusive financial advisor to  
Drilling Systems International Ltd.*

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*Securities offered through PPHB Securities, LP  
(Member FINRA/SIPC)*



### **Drilling Systems International Ltd.**

Headquartered in Dubai, Drilling Systems International Ltd. ("DSI") is the leading global provider of specialized equipment for downhole circulation technology for oil and gas wells. DSI delivers specialized downhole circulation tools which steer the flow direction of drilling muds in the drill string. The company's flagship product is the PBL tool which forms part of the drill string. The main purpose of the PBL tool is to avoid mud losses during the drilling process. Such losses may occur when drilling muds escape into the rock formations. The tool helps to protect costly drill string steering systems (MWD and LWD equipment) from damage and to solve expensive lost-circulation problems. The PBL is also used in deepwater operations to clean the wellhead profile prior to running casing and jetting/washing the subsea blowout preventers (BOPs). By renting its tools, DSI generates annual revenues of approximately \$30 million and its customers include international oil and gas companies and oilfield service providers.

### **Schoeller Bleckmann Oilfield Equipment AG**

Schoeller-Bleckmann Oilfield Equipment AG ("SBO") is a global market leader in the design and manufacture of high-precision components for the oilfield service industry. SBO's high-precision components include collars and internals that are made of alloyed steel and other non-magnetic metals and are used to mount antennas, sensors, batteries, generators, and other kinds of electronic parts for taking measurements and analyses during drilling operations. SBO provides oilfield supplies and services that include non-magnetic-drill-collars, directional drilling motors and various other tools such as stabilizers, reamers, hole openers, drilling jars, and shock tools for the oilfield. SBO has operations in the North America, Europe, and internationally. SBO was incorporated in 1994 and is based in Ternitz, Austria.

### **PPHB LP ("PPHB")**

PPHB is an independent investment banking firm providing financial advisory services exclusively to clients in the oilfield equipment and service industry.

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