



NOW Inc. Announces Power Service Acquisition

April 29, 2016

HOUSTON--(BUSINESS WIRE)--Apr. 29, 2016-- NOW Inc. (NYSE:DNOW) announced today that it has entered into an agreement to purchase Power Service, Inc., Industrial Tool & Repair, Inc., d/b/a/ Power Service of Montana and Power Transportation LLC (collectively, "Power Service"). Terms of the all-cash transaction, which remains subject to customary closing conditions, including regulatory approval, were not disclosed.

Founded in 1954, Power Service provides rotating and process equipment engineering, design, installation, fabrication and service solutions. Power Service distributes OEM parts including pumps, generator sets, air compressors and blowers, and fabricates custom Lease Automatic Custody Transfer (LACT) units, Vapor Recovery Units, ASME Code Vessels and Water Production skids serving the Upstream, Midstream & Downstream oil and gas markets as well as the Mining, Power Generation and General Industrial industries. Power Service operates in 14 locations throughout Wyoming, Colorado, Utah, Montana, North Dakota, New Mexico, Oklahoma and Texas. Power Service employs approximately 400 employees.

Robert Workman, President and CEO of NOW Inc. noted, "We are excited about the opportunity to add Power Service's business to DistributionNOW. With their established position in the Oil & Gas turnkey tank battery solutions market, Power Service would provide a number of attractive synergies for DNOW. Similar to our previous large acquisitions since going public, Power Service would provide us with a unique, high value add solution for our existing customer base. Additionally, this acquisition would broaden DNOW's global valve actuation offering by applying Power Service's core competencies around spooling and valve modification, solving our customer's needs for this service, in addition to a turnkey tank battery (facilities) solution. And, it would also give us the opportunity to leverage the infrastructure of Odessa Pumps, an acquisition we made last year, to continue to organically grow our customer participation by expanding product lines across several regions. Simultaneously, Power Service would benefit from our scale, international presence and PVF supplier relationships required in their modularized packages."

NOW Inc. is one of the largest distributors to energy and industrial markets on a worldwide basis, with a legacy of over 150 years. NOW operates primarily under the DistributionNOW and Wilson Export brands. Through its network of over 300 locations and approximately 4,500 employees worldwide, NOW offers a comprehensive line of products and solutions for the upstream, midstream and downstream energy and industrial sectors. NOW's locations provide products and solutions to exploration and production companies, energy transportation companies, refineries, chemical companies, utilities, manufacturers and engineering and construction companies.

Statements made in this press release that are forward-looking in nature are intended to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 and may involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to documents filed by DNOW L.P. with the Securities and Exchange Commission, including the Form 10-K, which identify significant risk factors which could cause actual results to differ from those contained in the forward-looking statements.

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