

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft
Ternitz, FN 102999w
(the "Company ")

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INVITATION

to the

Annual General Meeting

to be held on **Wednesday 25 April 2012 at 10:00 a.m.**
in 2630 Ternitz, Theodor Körner-Platz 2, („Stadthalle“)

with the following Agenda :

- 1) Submission of the approved annual financial statements according to the Austrian Commercial Code (UGB) including the notes and management report, the corporate governance report, the consolidated financial statements according to IFRS including the notes thereto and the group management report, the Executive Board's proposal on the appropriation of the balance sheet profit, in each case in relation to the fiscal year ended 31 December 2011, and submission of the report of the Supervisory Board for the fiscal year 2011.
- 2) Resolution on the appropriation of the balance sheet profit as set out in the annual financial statements according to the Austrian Commercial Code for the fiscal year ended 31 December 2011.
- 3) Resolution on the discharge of the members of the Executive Board for the fiscal year 2011.
- 4) Resolution on the discharge of the members of the Supervisory Board for the fiscal year 2011.
- 5) Election of the auditors of the annual financial statements and the consolidated financial statements for the fiscal year 2012.
- 6) Resolution on the remuneration of the members of the Supervisory Board pursuant to Section 13 (4) of the Articles of Association.
- 7) Elections to the Supervisory Board.
- 8) Resolution on the amendment of § 3 (1) of the articles of association to revoke the expired authorization granted to the Executive Board (authorized capital), resolution on the amendment of § 10 of the articles of association, Supervisory Board, and resolution on the amendment of § 3 (3) and § 14 (3) of the articles of association, in particular to reflect changes in the law due to the corporate law amendment act 2011 (*Gesellschaftsrechts-Änderungsgesetz 2011*).
- 9) a) Resolution on the revocation of the authorisation granted to the Executive Board at the Annual General Meeting on 28 April 2010 to acquire treasury shares pursuant to Articles 65 (1) (no 8) and (1a) and (1b) of the Austrian Stock Corporation Act (AktG)

- b) The authorisation of the Executive Board to acquire, within a period of 30 months commencing from the day of adoption of the resolution, treasury shares of the Company pursuant to Article 65 (1) (no 8) and (1a) and (1b) of the Austrian Stock Corporation Act (AktG), up to a maximum of 10% of the issued share capital of the Company, fixation of the minimum and maximum pursuant to Article 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG) as well as to determine the terms and conditions of such buy-back
- c) Resolution to authorize the Executive Board, subject to the approval of the Supervisory Board but not to any further resolution of the General Meeting, to cancel treasury shares pursuant to Article 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG), to adopt amendments to the articles of association arising from the cancellation of shares, or to dispose of treasury shares and to determine the terms and conditions of such disposal. The acquisition of treasury shares for purposes of trading is not admissible pursuant to Article 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG)
- d) Resolution on the revocation of the authorization granted by the Annual General Meeting on 16 April 2008 pursuant to Article 65 (1b) of the Austrian Stock Corporation Act (AktG) for a period of five years, subject to the approval of the Supervisory Board, to dispose of treasury shares by other means than via the stock exchange or a public offering and to exclude the subscription rights of the shareholders; and simultaneously to resolve on the authorization of the Executive Board pursuant to Article 65 (1b) of the Austrian Stock Corporation Act (AktG), subject to the approval of the Supervisory Board, to dispose of treasury shares by other means than via the stock exchange or a public offering and to exclude the subscription rights of the shareholders

Right to attend and record date (Section 106 (6) and (7) AktG):

The right to attend the Annual General Meeting and to exercise shareholder rights which have to be asserted at the Annual General Meeting, pursuant to Section 111 (1) and (2) AktG, depend on the ownership of shares at the end of the 10th day before the date of the Annual General Meeting (record date), and, accordingly, on the ownership of shares on 15 April 2012, 12:00 p.m. midnight. Attendance of the Annual General Meeting is permitted only if a person is a shareholder on that record date and proves this fact to the Company. Such proof (deposit confirmation) must be received by the Company no later than on the third working day before the Annual General Meeting, that is no later than 20 April 2012 at its address in 2630 Ternitz, Hauptstraße 2, in writing, by telefax (+43 (+2630) 315-501) or by E-mail: hauptversammlung2012@sbo.co.at. The Company will accept deposit confirmations also via an internationally disseminated, specifically secured communication network of credit institutions whose participants can be clearly identified (SWIFT: GIBAATWGGMS, message type MT 598, ISIN AT0000946652).

In order to prove ownership of deposited bearer shares, submission of a deposit confirmation issued by a depositary credit institution registered in a member state of the European Economic Area or in a full OECD member state is sufficient (see Section 10a AktG). When submitted to the Company, the deposit confirmation must not be older than seven days. The deposit confirmation serving as proof of share ownership must refer to the above record date. Deposit confirmations are accepted in German and English only. The deposit confirmation has to contain the information set forth in Section 10a (2) AktG. For non-deposited bearer shares, written confirmation of share ownership containing the same information as set forth in Section 10a (2) AktG by a notary public residing in Austria is sufficient.

Representation by proxies (Section 106 (8) AktG):

Each shareholder entitled to attend the Annual General Meeting has the right to appoint a natural or legal person as proxy (Sections 113, 114 AktG). Such proxy attends the Annual General Meeting on behalf of the shareholder and has the same rights as the shareholder he/she represents. The Company itself, a member of the Executive Board or the Supervisory Board may exercise voting rights as proxy only to the extent the shareholder has issued an explicit voting instruction on the individual items on the Agenda. The proxy must be granted to a specific person. The proxy must be issued at least in text form pursuant to Section 13 (2) AktG; its revocation must also be made at least in text form. The proxy and/or its revocation must be sent to and retained by the Company. Proxies may be submitted to the Company no later than on 24 April 2012, 4:00 p.m. by post to 2630 Ternitz, Hauptstraße 2, by telefax (+43 (+2630) 315-501) or by e-mail: hauptversammlung2012@sbo.co.at. Otherwise, shareholders are kindly requested to present their proxies and/or revocations to the registration desk of the Annual General Meeting at its venue. For the appointment of a proxy and its revocation please use the proxy form made available by the Company for its shareholders on the

Company's website (www.sbo.at). (Section 114 (3) AktG). If requested, proxy forms can also be sent to shareholders by post.

If a shareholder has granted a proxy to the credit institution holding his/her deposit account, it is sufficient for the credit institution to declare that it was granted proxy in addition to issuing the deposit confirmation.

Information on shareholder rights (Section 106 (5) AktG):

Shareholders whose aggregate shareholdings equal five percent of the Company's share capital may, pursuant to Section 109 AktG, request in writing that additional items be put on the Agenda of the Annual General Meeting and be announced publicly. Each item that is requested to be added to the Agenda must be accompanied by a resolution proposal including a statement on the reasons for this request. Applicants must have held shares for at least three months prior to submitting the request. The shareholder's request must be received by the Company by the 21st day prior to the Annual General Meeting, that is no later than on 4 April 2012, and directed to the address 2630 Ternitz, Hauptstraße 2.

Furthermore, shareholders whose aggregate shareholdings equal one percent of the Company's share capital may, pursuant to Section 110 AktG, submit to the Company proposals for resolution on any item of the Agenda in text form and request that such proposals be made available on the Company's website together with the names of the respective shareholders, the statement of reasons to be enclosed and the statement, if any, of the Executive Board or the Supervisory Board. If proposals are made on the election of a member of the Supervisory Board, the statement of reasons is replaced by a statement of the suggested candidate, pursuant to Section 87 (2) AktG. This request is considered valid if received by the Company no later than on the seventh working day prior to the Annual General Meeting, that is no later than on 16 April 2012, and directed to the address 2630 Ternitz, Hauptstraße 2, or by telefax to +43 (+2630) 315-501.

On request, each shareholder is entitled to obtain information about matters concerning the Company at the Annual General Meeting to the extent that this is necessary to properly assess the items on the Agenda (Section 118 AktG).

Shareholder rights linked to ownership of shares during a certain period of time can be exercised only if the shareholder status in the relevant period is proved by submitting a deposit confirmation pursuant to Section 10a AktG. For bearer shares not held in a deposit account, written confirmation by a notary public residing in Austria is sufficient.

Further information on the above shareholder rights pursuant to Sections 109, 110 and 118 AktG is available on the Company's website (www.sbo.at).

Total number of shares and voting rights at the time of convocation (Section 106 (9) AktG):

Pursuant to Section 83 (2) (no 1) Stock Exchange Act and Section 106 (9) AktG we announce that the share capital of the company is EUR 16,000,000.-- and is divided into 16,000,000 no-par value bearer shares. Each no-par value bearer share confers the right to one vote. Taking into account 39,884 treasury shares, for which the right to vote cannot be exercised pursuant to Section 65 (5) AktG, a total of 15,960,116 voting rights exist as of 27 March 2012.

Shareholders may inspect the following documents pursuant to Section 108 (3) and (4) AktG from the 21st day before the Annual General Meeting is held, that is from 4 April 2012, at the Company's seat in A-2630 Ternitz, Hauptstraße 2, or on the website of the Company (www.sbo.at):

- Annual financial statements according to Austrian Commercial Code for the year ended 31 December 2011 including notes and management report;
- Corporate governance report;
- IFRS-based consolidated financial statements for the year ended 31 December 2011 including the notes to the consolidated financial statements and the group management report;
- Proposal of appropriation of net income by the Executive Board (item 2. on the Agenda);
- Report of the Supervisory Board;
- Proposed resolutions on items 3. to 9. on the Agenda.

In order to ensure smooth admission, shareholders are kindly requested to arrive on time before the Annual General Meeting starts. The Company reserves the right to verify the identity of those gathered for the Meeting. Should identity not be verifiable, we may refuse entry. Participants are therefore requested to bring along an official photo ID (such as passport or driving licence) to verify their identity. Admission for collecting voting cards starts at 9:00 a.m.

Ternitz, March 2012

The Executive Board