

Schlumberger New Product Development Cell (NPD)

28 May 2012



NPD Overall summary of accomplishments

- We have transitioned our most experienced employee, Chris Wee, from our Singapore facility to Sugar Land to be our fulltime, onsite NPD support personnel
 - Chris will be evaluating the level of work required and will recommend whether we need to add additional onsite resources
- We have transitioned our best engineer, Peter Ruler, from our Phoenix facility to Singapore to lead our engineering efforts for NPD parts
 - Peter will be dedicated to NPD parts
- We have transitioned Lee Shargel, a six sigma master black belt, from our Phoenix facility to Singapore to lead our engineering team
- We have placed purchase orders for seven new pieces of equipment which will be dedicated to producing tier 1 NPD parts
- We are currently working on our overall layout for our Singapore facility & the allocation of our best operators to be assigned to the NPD cell

The NPD Cell Equipment Summary

- 7 new purchased machines dedicated machines
 - Large Mill (2x), 3m
 - Large Turn-Mill Lathe, 3m
 - Large Gun-Drill, 2.5m
 - Large EDM, 3m
 - Large CMM (2x), 3m
- 2 existing machines allocated for NPD cell shared machines
 - Large Deep Hole Boring Machine (1x), 3m
 - Large Honing, 2m
- In total, 9 pieces of equipment for NPD cell



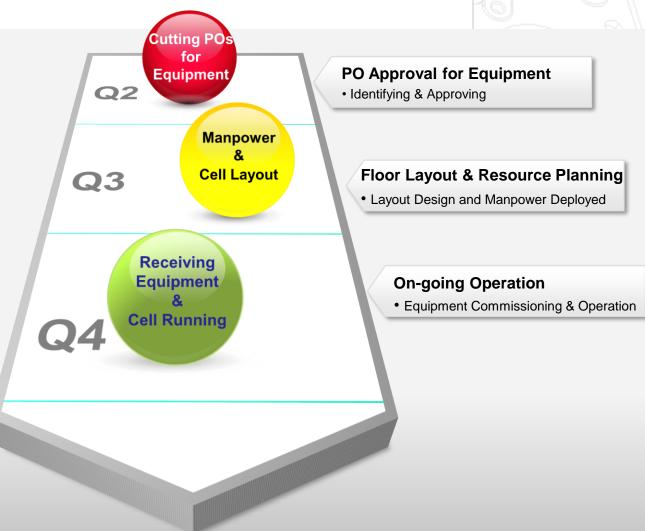
A highlevel overview of the timeline for the Tier 1 NPD Cell

Current Status

- Equipment By middle of May, we issued all purchase orders for 7 pieces of equipment for NPD CELL
- People By end of May, MMI
 Houston based representative
 on site and NPD CELL key
 engineer on board;

Next Steps

- Floor Layout Planning the NPD cell layout and engaging Professional Engineer for necessary structure re-enforcement required
- People Shortlisting the manpower for NPD cell
- NPD Process Start to quote for NPD parts by using MMI existing equipment





The monthly timeline for the implmentation of the tier 1 NPD Cell

Turn-Mill 2nd 1st Mill 2012 2nd Mill **CMM CMM** & EDM Gundrill Apr May Jun Jul Aug Jan Feb Mar Sep Oct Nov Dec

Phase 1

- DFM sessions with SLB design teams
- RFQ of parts up to 2m length with gundrill up to 1m
- Producing parts using existing equipment

Phase 2 (RFQ)

RFQ of parts up to 2.5m length & gundrill up to 1m length

Phase 2 (Machining)

Production of actual parts longer than 2m to start in Oct/Nov

Phase 3 (RFQ)

• RFQ of parts up to 2.5m length & gundrill up to 2.5m length

Phase 3 (Machining)

 Production of parts on the gundrill to start in Dec



MMI NPD Cell New Equipment List

S/ N	Туре	No. of Axis	Brand	Model	Qty	Est. Commissioning Date
1	1 ST CMM	3	Hexagon (Italy)	Global Silver Advantage 12.40.10	1	21-Sep-12
2	2 ND CMM	3	Hexagon (Italy)	Global Silver Advantage 12.40.10	1	25-Oct-12
3	EDM	3	Makino (Japan)	EDNC 106 w/extended 3M Tank	1	16-Nov-12
4	1 ST Mill	5	Deckel Maho (Germany)	DMF 360 (Y1100)	1	30-Nov-12
5	Turn-Mill	4	Mori seiki (Japan)	NL3000/3000	1	19-Dec-12
6	Gundrill	3	Unisig (USA)	USK25-2000	1	8-Jan-13
7	2 ND Mill	5	Deckel Maho (Germany)	DMF 360 (Y1100)	1	15-Mar-13
				Total Qty:	7	



CMM Hexagon Global Silver Advantage 12.40.10



Makino EDM EDNC106



DMG DMF 36/



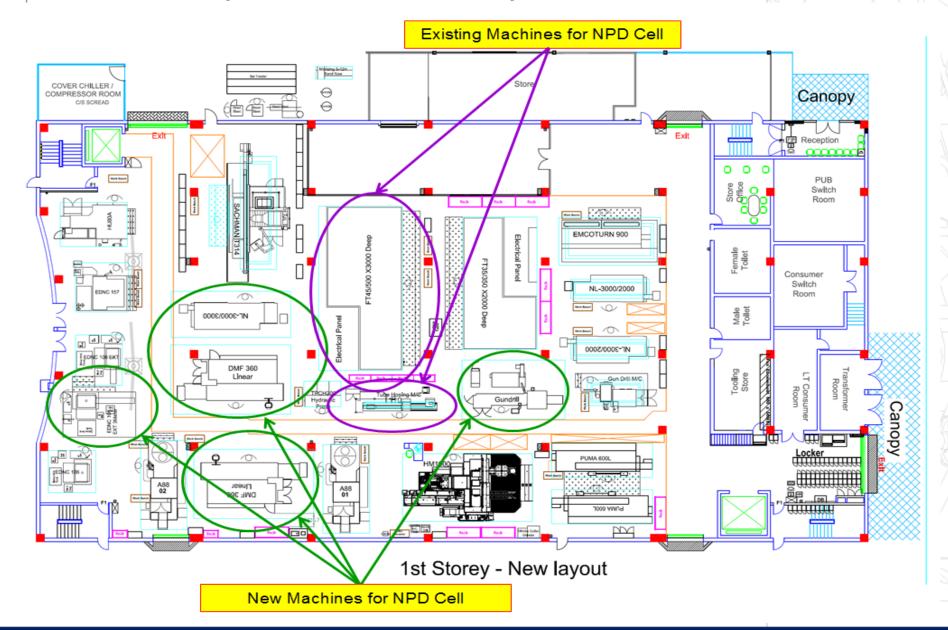
NL3000/300



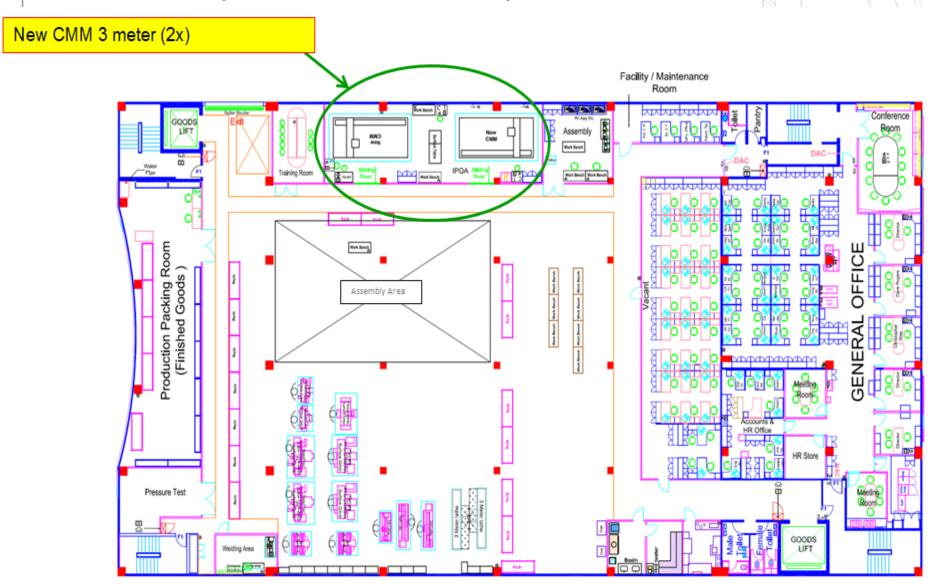
iundrill Unisig USK25-2000



The Preliminary Planned NPD Cell Layout – 1st Floor



The Preliminary Planned NPD Cell Layout – 3rd Floor



3rd Storey - New layout

Next Steps

- Starting to quote and run NPD parts by using our existing available equipment
- Finalizing the floor layout by optimizing available space and reducing part handling to improve efficiency
- Preparing the floor structure strengthening for the incoming new equipment
- Identifying suitable manpower for the NPD cell









Hexagon CMM – Global Silver Advantage 12.40.10







Makino EDM EDNC 106 with 3 meter extended tank



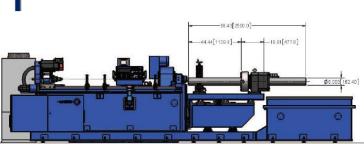




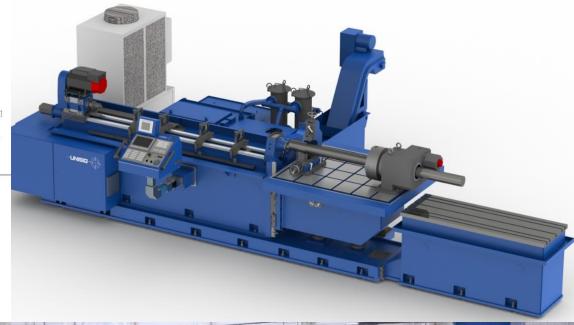


Mori Seki Turn-Mill Lathe - NL3000/3000





Unisig Gundrill Machine – USK25-2000









MMI HOLDINGS LIMITED