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## Layne Christensen Announces Completion of Two Unsecured Loan Facilities

MISSION WOODS, Kan., Aug 5, 2003 (BUSINESS WIRE) -- Layne Christensen Company (Nasdaq:LAYN) (the "Company" or "Layne") announced today the successful completion of two unsecured loan facilities, one with the Prudential Capital Group ("Prudential"), an institutional investment management business of Prudential Financial, Inc. (NYSE:PRU), and the other with LaSalle Bank National Association ("LaSalle").

"The agreements with LaSalle and Prudential are an important milestone for the Company," said Jerry W. Fanska, Layne's Chief Financial Officer. "We have picked two extremely powerful financial partners to help us lead Layne into the future. We believe the unsecured nature of this transaction reflects the increase in Layne's financial quality and our efforts over the past two years to position the Company financially to take advantage of our current opportunities."

The Prudential facility establishes an uncommitted private shelf facility (the "Master Shelf Agreement") for the issuance of up to \$60,000,000 of unsecured Senior Notes. On July 31, 2003, the Company issued 6.05% Senior Notes, Series A, due 2010, in the amount of \$40,000,000. The proceeds of the Notes were used to refinance all of the Company's existing indebtedness and for general corporate purposes.

In addition to the Master Shelf Agreement, the Company also established a three-year, \$30,000,000 Senior Unsecured Line of Credit with LaSalle to be used for working capital requirements and other general corporate purposes. No borrowings were required under this facility at the date of closing. The facility provides for interest at variable rates equal to, at the Company's option, a eurodollar rate or a base rate (as defined in the agreement) plus a margin, depending on the Company's debt to EBITDA leverage.

As a result of this refinancing, the Company will incur non-recurring charges in the second quarter of approximately \$2.4 million related to the write off of debt financing costs and prepayment fees associated with the Company's prior credit facilities.

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act of 1934. Such statements are based on current expectations and are subject to certain risks, uncertainties and assumptions, including, but not limited to, prevailing prices for various metals and unanticipated slowdowns in the Company's major markets. Should one or more of these underlying assumptions prove incorrect, actual results may vary materially from those currently estimated. These statements are made as of the date of this release, and the Company assumes no obligation to update such forward-looking statements or to update the reasons why actual results could differ materially from those anticipated in such forward-looking statements.

Layne Christensen Company provides sophisticated services and related products for the water supply, mineral exploration, geoconstruction and energy markets.

SOURCE: Layne Christensen Company

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