

Hamworthy plc

Preliminary results for year ended 31 March 2008



Gordon Page, Chairman

Joe Oatley, Chief Executive

Paul Crompton, Finance Director

Agenda

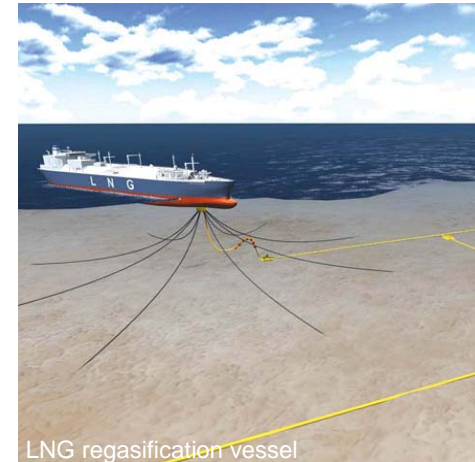
- ▶ Welcome Gordon Page
- ▶ Financial and operating summary Joe Oatley
- ▶ Financial results Paul Crompton
- ▶ Markets, strategy and outlook Joe Oatley
- ▶ Questions and answers

Financial summary

- ▶ Turnover increased by 21% to £231.8m
- ▶ Operating profit increased by 26% to £16.5m
- ▶ Closing order book up by 16.3% to £311.8m
- ▶ Order intake down 7% to £228.1m
- ▶ Very strong operating cash flow of £19.4m
- ▶ Proposed final ordinary dividend of 5.29p per share: total dividend for the year up by 15%

Operational highlights

- ▶ New orders in developing markets:
 - ▶ Two LNG regasification orders totalling in excess of £33m
 - ▶ First of type order for LNG fuel systems for coastal ships
 - ▶ LNG deepwell pumps
- ▶ Strong order intake for water systems for cruise ships
- ▶ Increased investment in research and development has delivered new products across the group
- ▶ Successful sea trials of LNG reliquefaction systems on 'Q-flex' LNG carriers
- ▶ Assembly of all major inert gas products now transferred from Norway to our Chinese facility
- ▶ Strong performance from Serck Como in its first full year in the group



LNG regasification vessel



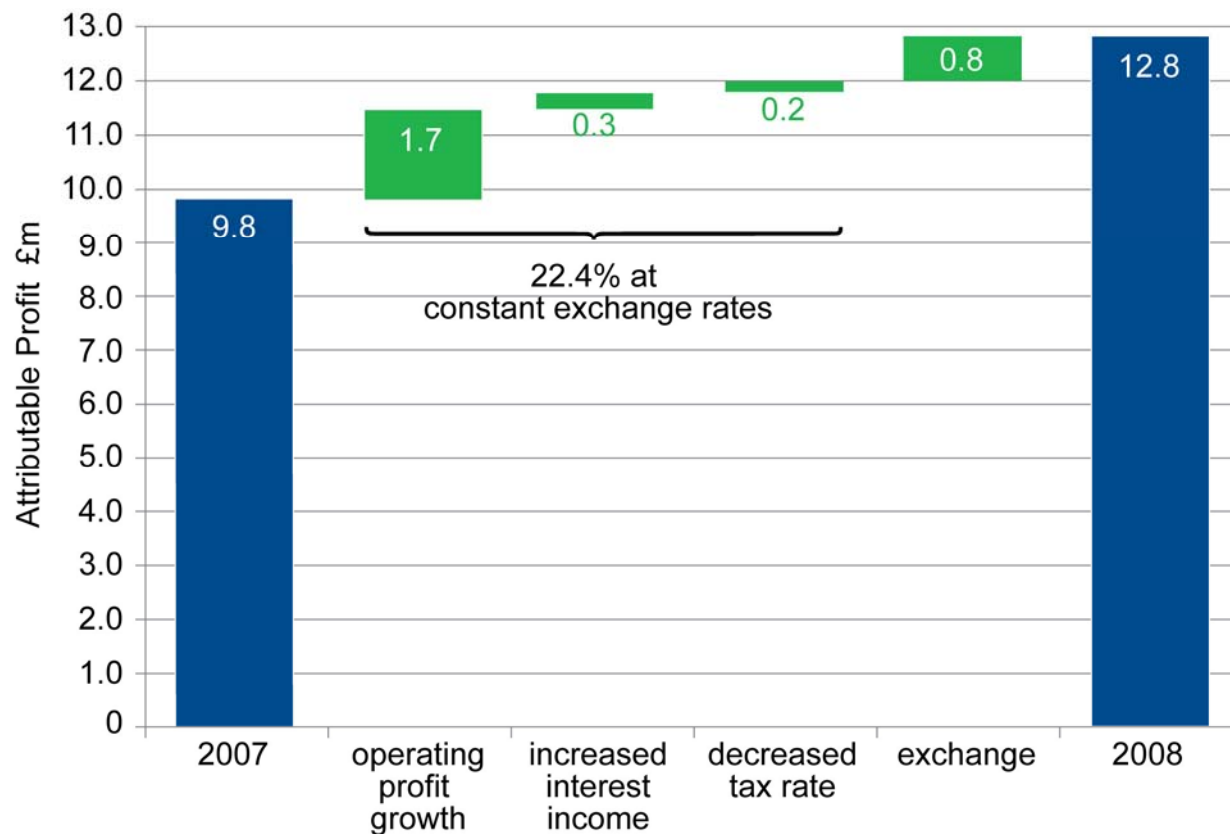
Enhanced sewage treatment plant

Financials

Paul Crompton
Finance Director

Financials

Earnings per share



earnings per share 22.8p

28.7p

Financials

Cash flow

£m	2006	2007	2008
EBIT	9.1	13.1	16.5
Depreciation	1.2	1.7	2.2
Working capital & provisions	1.6	(1.7)	2.6
Capital expenditure	(0.9)	(3.4)	(1.9)
Operating cash flow	11.0	9.7	19.4
Interest & taxation	(1.3)	(0.6)	(1.1)
Free cash flow	9.7	9.1	18.3
Free cash flow per share	25.0p	21.0p	41.1p
% of earnings per share	146%	92%	143%

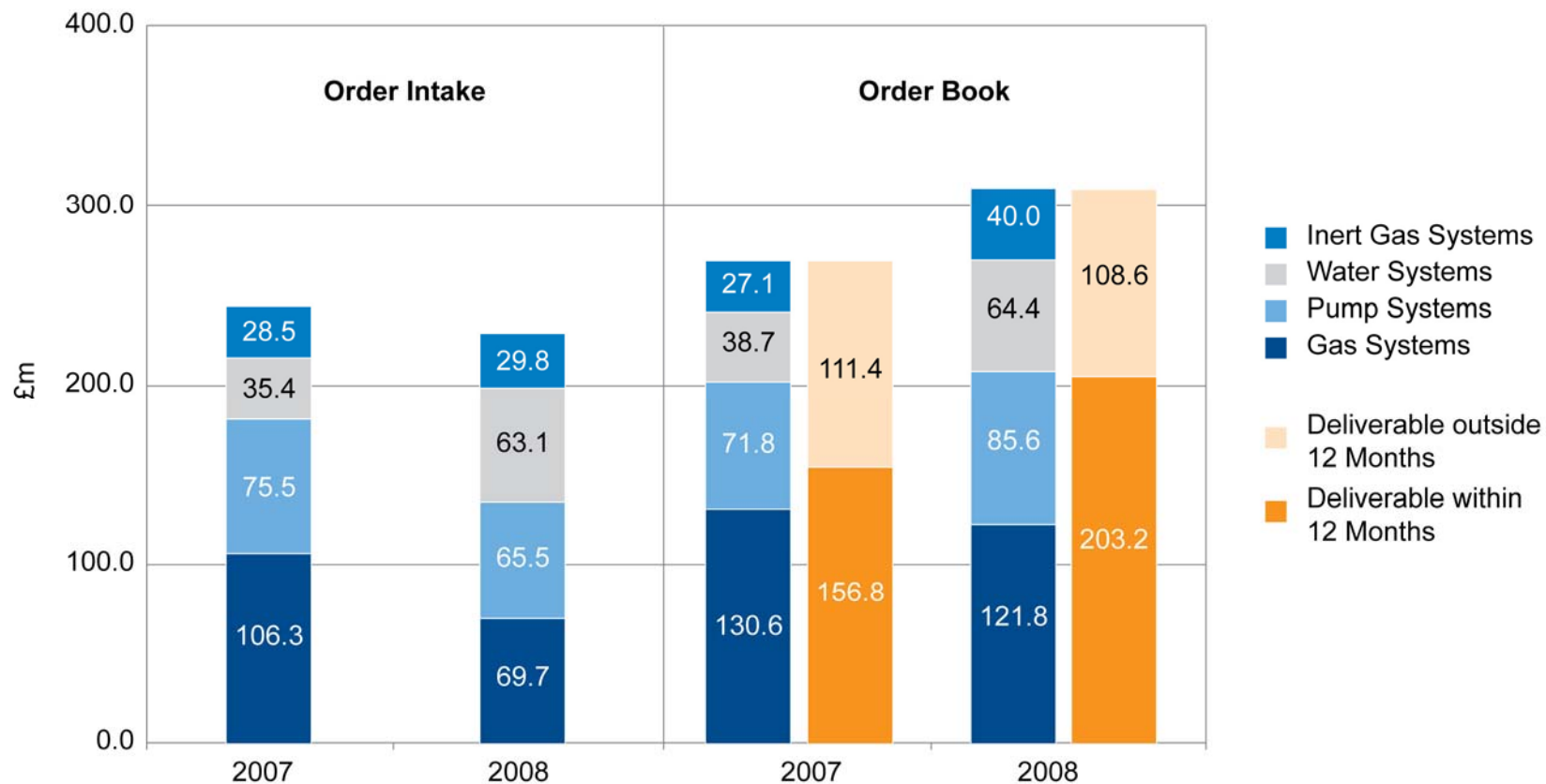
Financials

Divisional results

£m	Revenue			Operating profit		
	2007	2008	growth	2007	2008	growth
Gas systems	89.6	98.9	10.4%	4.7	5.5	17.4%
<i>Margin</i>				5.2%	5.5%	
Pump systems	55.1	66.6	20.9%	5.5	7.3	32.4%
<i>Margin</i>				10.0%	10.9%	
Water systems	28.9	43.8	51.5%	4.5	5.0	11.7%
<i>Margin</i>				15.5%	11.4%	
Inert gas systems	17.2	22.5	30.9%	1.0	1.4	41.2%
<i>Margin</i>				5.6%	6.0%	
Central				(2.6)	(2.7)	
Group	190.8	231.8	21.5%	13.1	16.5	25.8%
<i>Margin</i>				6.9%	7.1%	
Aftersales component	24.3	29.3	20.6%			

Financials

Order statistics



Markets and Strategy

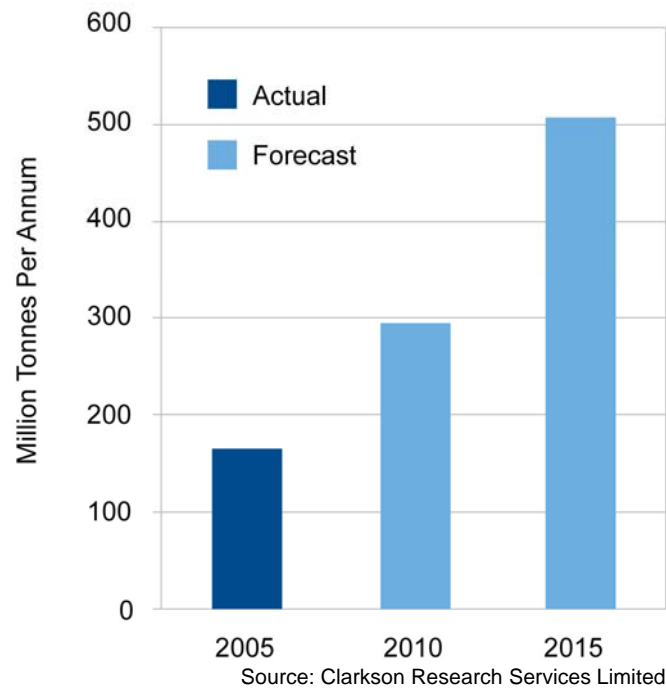
Joe Oatley
Chief Executive

Our markets

Gas production and transportation market

- ▶ LNG market has strong structural long-term growth drivers
- ▶ Long-term growth in the market for LPG carriers is also robust
- ▶ Near-term, deliveries of gas carriers will be high
- ▶ Medium-term the Group expects the emphasis for LNG to shift more towards production (FPSOs) and regasification
- ▶ Medium-term the LPG and ethylene carrier market will be more focused on smaller vessels as new large LPG vessels come into the fleet
- ▶ Significant additional growth prospects in fuel systems for gas engines, flare gas recovery, land based gas liquefaction

LNG volumes

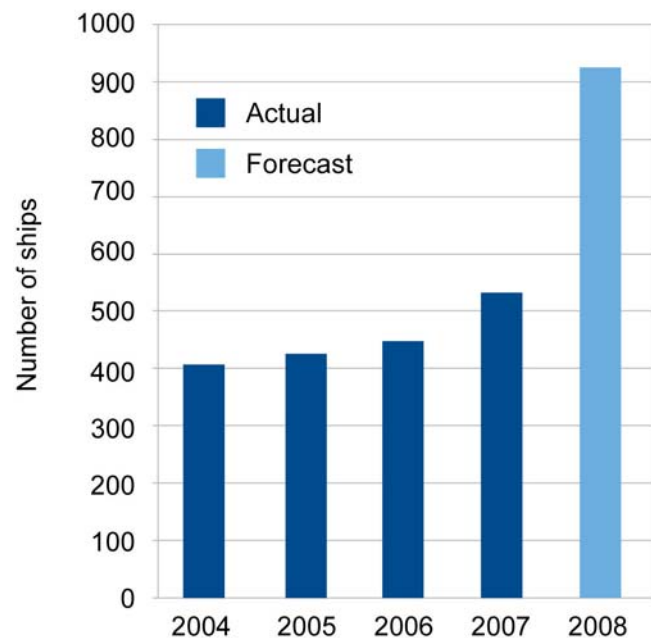


Our markets

Oil production and transportation market

- ▶ Near-term, deliveries of tankers will be very high
- ▶ Medium-term we expect tanker volumes to return to more normal levels and our emphasis will shift more towards offshore production vessels
- ▶ High oil prices continue to support significant investment in offshore production infrastructure

Tanker deliveries



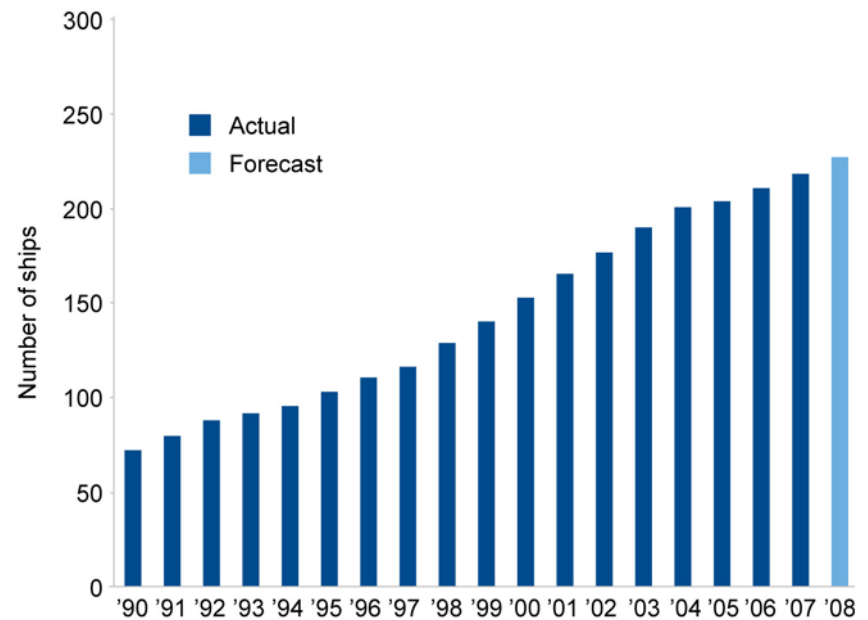
Source: Clarkson Research Services Limited

Our markets

Cruise ship market

- ▶ Demand for cruise ships continues to be robust
- ▶ Cruise ship build remains focused on European yards
- ▶ Major Korean yards beginning to invest in developing the capabilities to deliver cruise ships in the future
- ▶ Environmental regulations continue to drive demand for the Group's products in this sector

Cruise Ship Fleet



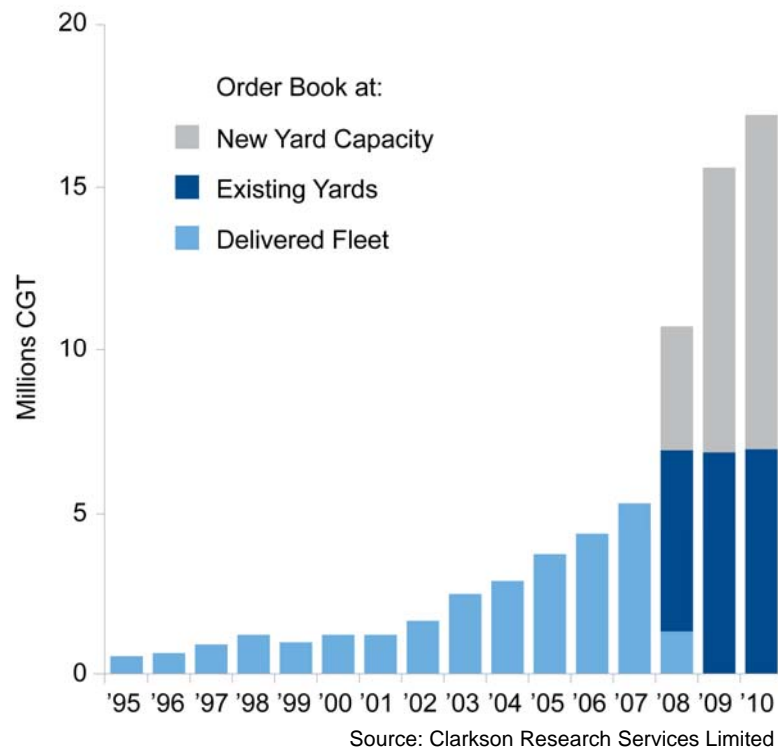
Source: Colton Company/Maritime Business Strategies

Our markets

Merchant marine market

- ▶ Merchant marine market continues to be very strong with a record number of vessels delivered in 2007
- ▶ Most major yards now full into 2011
- ▶ Significant investment in additional shipbuild capacity in China, Korea and others
- ▶ Geographical trend is for China to continue to grow and also to increase the level of complexity of vessels built
- ▶ Environmental regulations continue to drive growth in demands for the Group's water systems products in this sector

China shipbuilding output



Group strategic review

- ▶ Group strategic review completed early 2008
- ▶ Backdrop is the outstanding success of the Group to date: 158% growth in operating profit since 2004 and a total shareholder return of 419% since flotation
- ▶ Our goal is to continue to deliver enhanced shareholder value through long-term earnings growth
- ▶ Rigorous strategic planning process being implemented across all of the Group's businesses
- ▶ No radical change of direction required, but the Group needs to increase focus and efforts in a number of key areas

Group strategy

Summary

- ▶ Maintain a balanced exposure to long-term growth markets
- ▶ Leadership position in the Group's sectors through market-led innovation
- ▶ Focus on margin improvement through operational effectiveness
- ▶ Low fixed cost base to minimise invested capital and maximise manufacturing flexibility
- ▶ Organic growth will be further enhanced by strategic acquisitions

Outlook

- ▶ The near-term outlook for the Group is secure being underpinned by a strong order book which the Group expects will deliver another year of strong sales
- ▶ In the medium-term, the security of the strong order book is expected to be maintained with a change in mix towards the strong growth segments of offshore/onshore oil and gas and cruise ships
- ▶ The Group aims to drive improvement in margins through increased emphasis on operational efficiency across all businesses
- ▶ Long-term the fundamental growth drivers of environmental legislation and energy demand remain robust
- ▶ The Group is pursuing a strategy that makes it well positioned to take advantage of these dynamics and the board therefore looks forward with confidence

Glossary

CGT	Compensated gross tons; a weighted capacity measure for ships'
FPSO	Floating Production Storage and Offloading vessels; speciality vessels for receiving, processing and storing offshore hydrocarbon reserves
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
LEG	Liquefied ethylene gas