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**11 October 2006**

## **LAMPRELL PLC**

### **ANNOUNCES OFFER PRICE**

Lamprell plc (the "Company") and other members of its group ("Lamprell" or the "Group"), based in the United Arab Emirates ("UAE"), a prominent provider of specialised services to the offshore oil and gas industry, today announces the successful pricing of an offering (the "Offer") of existing ordinary shares (the "Shares") to institutional investors and its intention to seek admission of its entire share capital to trading on AIM, a market operated by London Stock Exchange plc ("Admission"). The Offer is conditional, *inter alia*, on Admission.

Following a successful institutional investor roadshow, the offer price has been set at 195 pence per Share (the "Offer Price").

JPMorgan Cazenove is acting as nominated adviser and broker to Lamprell and sole bookrunner to the Offer.

- The Offer consists of a placing to institutional investors of 117,679,216 existing Shares which at the Offer Price represents a deal size of £229.5 million
- Following the Offer, the Company's issued share capital will be 200 million shares
- Based on the Offer Price, the market capitalisation of the Company immediately following the Offer will be approximately £390 million
- As demand for Lamprell's services continues to rise, the Directors believe that a London market listing will provide the Group with the profile needed to continue the expansion of its skills and capacity, to secure a more diversified ownership structure and to incentivise employees further

**Mr Peter Whitbread, Chief Executive Officer and Chairman of Lamprell, said:**

"I am delighted that the roadshow has been successful and I look forward to welcoming all our new shareholders. The specialised oil services market offers Lamprell a number of opportunities for growth in the years ahead. With our acknowledged expertise and strategic base in the UAE, I believe Lamprell is well placed to benefit from those opportunities."

*It should be noted that if Admission does not occur, all conditional dealings will be of no effect and any share dealings will be at the sole risk of the parties concerned.*

## For further information:

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David Moran, Chief Operating Officer and Chief Financial Officer

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## NOTES TO EDITORS

- Lamprell, based in the UAE, has played an increasingly prominent role in the development of the offshore industry in the Arabian Gulf for over 30 years, in later years providing specialised services to the offshore oil and gas industry.
- Lamprell's two primary facilities are in Port Khalid, in the Emirate of Sharjah, and in the Jebel Ali Free Zone, in the Emirate of Dubai, both of which are in the UAE
- The principal markets in which Lamprell operates, and the principal services it provides, are:
  - Upgrade and refurbishment of offshore jackup rigs;
  - New build construction for the offshore oil and gas sector, including Floating Production, Storage and Offloading systems and other offshore and onshore structures; and
  - Oilfield engineering services, including the upgrade and refurbishment of land rigs.
- Lamprell has grown strongly over the last three years, driven by buoyant conditions in the oil and gas industry and the increase in capacity with the opening of its facility in the Jebel Ali Free Zone in 2002.
- Revenues have almost tripled from 2003 to 2005, increasing from US\$70.4 million to US\$205.0 million. In this period, operating profits have also increased five-fold, resulting in profits available to shareholders increasing from US\$5.6 million to US\$28.7 million.
- **Steven Lamprell, aged 56, President**, founded the business in 1974 and took up residency in Dubai in the mid-1970s. Steven has presided over Lamprell's emergence as an important player in providing services to the offshore oil industry in the Arabian Gulf. He is selling a majority stake in the business in the Offer.
- The Company also has a very strong management team, including:
  - **Peter Whitbread, aged 62, Chief Executive Officer and Chairman**, joined Lamprell in 1992. Peter is a Chartered Quantity Surveyor and has over 35 years of experience in the oil and gas services sector.
  - **David Moran, aged 44, Chief Operating Officer and Chief Financial Officer**, joined Lamprell in 1992. David is responsible for the entire operational, finance and administration activities of Lamprell.

*No offer or invitation to purchase shares is being made at this time. Any such offer or invitation will be made solely in or by reference to the AIM admission document to be published today and any acquisition of shares in the Company should be made only on the basis of the information contained in the AIM admission document.*

*This announcement, for which the Company and its directors are solely responsible, has been approved by JPMorgan Cazenove solely for the purpose of section 21 of the Financial Services and Markets Act 2000. JPMorgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is advising the Company and no-one else in connection with the Offer and Admission and will not be responsible to any person other than the Company for providing the protections afforded to its clients or for advising any other person in relation to the Offer and Admission. The distribution of this announcement in certain jurisdictions may be restricted by law and persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

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*Stabilisation/FSA*