



**11 June 2007**

**LAMPRELL PLC**  
(“Lamprell” or the “Company”)

**LAMPRELL AGM – STATEMENT FROM THE CHAIRMAN AND CEO**

Lamprell (symbol: LAM), a leading provider of specialist engineering services to the international oil & gas industry based in the UAE, is holding its Annual General Meeting at 12.00 pm UAE time (9.00 am UK time) today at the Lamprell Group offices in Jebel Ali Free Zone, Dubai, United Arab Emirates. At the meeting, Chairman and CEO, Peter Whitbread, will make the following statement:

“The Company was listed on the London Stock Exchange Alternative Investment Market (“AIM”) in October 2006. Lamprell has just completed another very positive year, both financially and operationally. Strong earnings, robust cash flows and a healthy balance sheet with zero debt at the year end have enabled us to implement the planned increase in development expenditure and to review new business opportunities that can add real value and future growth.

For the year 2006 we have seen revenues increase to US\$330 million, an improvement of 57.5% over 2005, with net profits of US\$33.8 million, an improvement of 13.5% over 2005, and that is after the one-off exceptional charges (US\$23.1 million), arising from the IPO process and share gifts to senior management from the principal shareholder. This improvement is the result of sustained growth in all of the primary areas of our business activities; jackup and land rig upgrade and refurbishment; new build offshore structures and process production modules.

During the year we have increased our client base while retaining all of our core clients and we have continued to deliver client satisfaction and timely project delivery. We have increased the scope and size of our new build construction activities and in 2006 we undertook the refurbishment of 26 offshore jackup rigs and our first upgrade of a semi-submersible drilling rig. We have also witnessed a significant growth in our land based drilling rig activity with a total of 10 land rigs having been refurbished during the same year compared to 4 land rigs that were refurbished during 2005.

This increase in workload and growth has been achieved while maintaining our outstanding safety awareness statistics. In Jebel Ali alone we saw a period of productivity of 7.5 million man-hours without a lost time incident resulting from accidents and on the Kashagan Flash Gas Compression project for SBM, the entire project was completed with over three million man-hours of continuous production without any lost time incidents.

During 2006 we have invested US\$24 million in capital expenditure to further increase capacity and efficiency. The largest acquisition was the 22,000 ton capacity semi-submersible barge, the “Hamriyah Pride”, which was acquired to give us self sufficiency for the launching and dry docking of marine units. This acquisition enabled us to take on what

has proven to be the largest jackup rig refurbishment project for Lamprell to date, the rebuilding of the storm damaged Nabors rig 660, due for completion in December 2007.

2007 to date has proven to be one of unprecedented high activity, with a record number of rigs being upgraded in our yards and the award of two new build lift boats for Seajacks International, valued at US\$224 million, with options available for three additional lift boats. We have also witnessed the largest project load-out ever undertaken by the Company with the completion of over 5,000 tonnes of process decks for British Gas, India's Tapti project. New project awards have also been supported by substantial growth on ongoing contracts. The Aker Kvaerner Process System contract for the SMART 1 FPSO topside process modules was awarded to Lamprell in late 2006 for US\$5.1 million. Our scope of work has subsequently been increased to include additional modules and the final value of this contract will now exceed US\$25 million on completion.

We continue to expand and grow our business with the primary focus being on the creation of our new facility in the Hamriyah Free Zone. This is being created with the principal objective of maintaining our leading position in the jackup repair and refurbishment market and to expand the range and size of the new build projects that we can undertake. This will be done whilst maintaining our focus on our existing repeat business clients and selectively expanding our client base.

We will continue to expand the capacity and quality of the services we provide through investment in infrastructure, equipment and most importantly in people. All of which will ultimately be reflected in providing shareholder value and satisfaction.

This has been an exceptional year for Lamprell. The excellent results have been achieved during a period of significant corporate restructuring and development and I am confident that we will continue to deliver the highest standard of service to our customers, win new business and ultimately reward our shareholders for their support."

Peter Whitbread

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