



**11 June 2008**

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

**LAMPRELL AGM – STATEMENT FROM THE CHAIRMAN**

Lamprell (ticker: LAM), a leading provider of specialist engineering services to the international oil & gas industry based in the United Arab Emirates (“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, UAE. At the meeting, Chairman, Peter Birch, will make the following statement:

“Lamprell has enjoyed another outstanding year in 2007, exceeding internal projections. Compared to 2006, revenue grew 42% to US\$ 467.3 million and net profit increased by 51% to US\$ 86.2 million, adjusted for exceptional charges. The successful full year results reflect that, in our opinion, we are pursuing the right strategy and we remain confident of our ability to maintain growth and to continue to deliver shareholder value and customer satisfaction.

We see the current high level of oil and gas related activity, both onshore and offshore, coupled with a sustained high oil price, continuing. This underlying strength provides an opportunity for Lamprell to continue growing and expanding both in the UAE and internationally.

In May 2008 it was announced that Lamprell had signed an initial 5 year lease for a 46,950m<sup>2</sup> facility with 158 meters of exclusive deep water quay side in Sattahip, Thailand. We believe this expansion provides an excellent opportunity to transfer skills and reputation to a region which offers a significant fleet of jackup drilling rigs owned by predominantly the same group of clients that operate with Lamprell in the Middle East. Enhancement of the facility will begin shortly and we anticipate executing the first revenue generating project in the 4th quarter of 2008, with full operations expected to commence in 2009.

We have also started the construction of our new facility at Hamriyah which is on schedule to come on stream at the beginning of 2009. When completed the new facility will have a

developed area of 250,000m<sup>2</sup> with a deepwater berthing quay wall 1,250m in length and 9m deep. This will enable Lamprell to work on up to 10 rigs simultaneously and construct up to three new build jackups. We will also be able to refurbish drill ships and semi submersible drilling units which, up to this time, we have been unable to service in any significant capacity because of space and water depth constraints.

We are additionally developing and expanding facilities at the Jebel Ali facility with further workshops, client offices, corporate offices and warehousing to support the planned increase in liftboat and tender barge construction, together with Floating Production, Storage and Offloading ("FPSO") process module building which we foresee continuing at the current level of activity.

Lamprell continues to focus on its core business activities of drilling rig refurbishment, new build rigs and the fabrication of FPSO topside process modules. This focus, coupled with our ongoing commitment to quality, schedule, safety and customer service, has ensured that we continue to benefit from the strong support that we receive from clients and encouraging levels of repeat business.

During 2007, we have seen a significant increase in new clients, some of whom have already placed further orders, and a move towards larger scale contracts with the commencement of a range of major new build projects, including two LeTourneau Super 116E jackup drilling rigs for Scorpion Rigs Ltd ("Scorpion") and two liftboats for Seajacks International Ltd ("Seajacks"). At the turn of the year we also successfully completed the largest single jackup rig rehabilitation and upgrade project ever undertaken by Lamprell, the Nabors Drilling 660 project, valued at US\$ 77 million.

We continue to operate debt free and deliver organic expansion through free cash flow. The forward order book is strong, with in excess of US\$ 550 million in contracted work which extends to the end of 2009.

Your Board has been strengthened in preparation for our intended move to the Main Market of the London Stock Exchange plc, subject to regulatory approvals, in the fourth quarter of 2008. In February Peter Whitbread stepped down as Chairman of the Board to concentrate on the role of Chief Executive Officer handing over the role of Chairman to myself. In May David Moran stepped down as Chief Operating Officer to become Director of Corporate Communications and Nigel McCue, formerly a Non-Executive Director, took over as Chief

Operating Officer, bringing with him a wealth of experience in the oil and gas industry. In August 2007 Jonathan Silver joined the Board of Lamprell plc as a Non-Executive Director.

Given the strength of 2007 for the Company and its continued growth, the Board of Directors is recommending a final dividend payment of 12.25 cents per ordinary share, with a Sterling equivalent of 6.17 pence per ordinary share payable on 18 June 2008.

The current year has started strongly with the number of rigs upgraded in our facilities in line with projections and the award of a number of significant contracts including the US\$ 50.9 million contract by the National Drilling Company to upgrade and refurbish the Al Ghallan jackup drilling unit. In addition, contracts have been secured with several clients for jackup rig upgrade and refurbishment projects with an initial total value of US\$ 26 million. The final account value is expected to be between US\$ 50 million and US\$ 55 million reflecting significant work scope growth. We have also completed and handed over the Nabors 660 jackup rig to Nabors Drilling and the construction phases of the new build jackup rig projects for Scorpion and the new build liftboat projects for Seajacks, are progressing well and are on schedule.

In review, 2007 was another positive year for Lamprell and looking forward we will continue to expand our capacity and scope of services and also invest in people to deliver growth and value for our shareholders.

On behalf of the Board, I would like to thank everyone at Lamprell for their dedication, hard work and commitment. I look to the future with confidence.”

Peter Birch  
Chairman of the Board  
Lamprell plc

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**Enquiries:**

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