



17 November 2011

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

INTERIM MANAGEMENT STATEMENT

Lamprell (ticker: LAM), a leading provider of diversified engineering and contracting products and services to the onshore and offshore oil & gas and renewables industry, issues the following Interim Management Statement for the period 1 July 2011 to 16 November 2011.

In the year to date the Company has been awarded contracts with a total value of US\$1.07 billion, and the bid pipeline remains at a consistent level. The Company expects the results for 2011 to be in line with market expectations.

Our core jackup rig construction market remains strong, as demonstrated both by the exercise by the National Drilling Company, Abu Dhabi (“NDC”), of its option for the construction by Lamprell of two LeTourneau Super 116E Class jackup rigs valued at US\$333.3 million, and the contract award by Jindal Pipes (Singapore) Pte. Ltd. (“Jindal”) for a LeTourneau Super 116E Class jackup rig.

We were pleased to announce in November 2011 the award, by Nexen Petroleum U.K. Limited, of deck construction contracts for the Golden Eagle Development in the UK North Sea. The offshore fixed platform market remains strong and the Company is well positioned to benefit from that strength.

The acquisition of Maritime Industrial Services Co. Ltd. Inc. (“MIS”) by Lamprell was completed in July 2011, and MIS de-listed from the Oslo Stock Exchange in September 2011. Integration of the acquired business into the Lamprell group remains on track, with anticipated cost synergies of approximately US\$11 million per year.

There continues to be significant interest from prospective purchasers in relation to Hull 108, which remains under construction at the Company’s Sharjah yard, with completion of construction scheduled to take place in Q2 2012.

The rig Al-Bzoom, which had been undergoing significant refurbishment works also at the Company’s Sharjah yard, was successfully redelivered to the customer, NDC, in October 2011. Similarly, Hull 106, which was also under construction at the Sharjah yard, was successfully delivered to the customer at the end of October 2011.

In October 2011, terms were agreed for the satisfactory resolution of a long running dispute with a major customer of MIS, with payment being received in November 2011.

From an operating perspective Lamprell continues to focus on maintaining high standards of project execution, with a particular emphasis on safety and quality, whilst delivering projects both on time and on budget. Having conducted a detailed

review of the previously announced cost overruns on the Windcarrier and Seajacks projects, the prototype nature of these vessels and the resulting impact on design and detailed engineering was identified as the main underlying cause of the overspend, and accordingly we are confident that similar issues do not affect our other ongoing projects.

In our rig refurbishment business we have worked on a total of 28 jackup rigs in the year to date and these projects have included work scopes covering the full range of our upgrade and refurbishment service. These projects have been shared between our UAE facilities, with Hamriyah facility working on 17 rigs and Sharjah working on 11 jackups.

The group maintains a substantial order book extending to Q2 2014 which at the end of October 2011, excluding the Jindal award referred to above, was approximately US\$1.2 billion, comprising US\$815 million from new build marine projects, US\$56 million from new build land rigs, US\$225 million from offshore construction projects, including offshore well head platforms, Floating Production Storage and Offloading units and accommodation modules, US\$17 million from jackup rig refurbishment projects, and US\$73 million from the group's other fabrication activities and subsidiary operating companies. The group's financial position has not changed significantly from 30th June 2011 other than as already disclosed as a result of the closing of the MIS acquisition.

We continue to see high levels of enquiries for our services in most sectors of our business and the Board remains optimistic that the long term prospects of the group continue to be promising.

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Notes to editors

Lamprell, based in the UAE, has played a prominent role in the development of the offshore industry in the Arabian Gulf for over 30 years, and is the regional market leader in the rig market, providing specialised services to the on and offshore oil and gas industry.

- Lamprell employs over 11,000 people across six facilities, with primary facilities in Hamriyah, Sharjah, and Jebel Ali, all of which are in the UAE, and in Saudi Arabia.
- The principal markets in which Lamprell operates, and the principal services it provides, are:

- Engineering, procurement and construction of jackup rigs, liftboats and drilling related equipment;
- 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;
- Onshore fabrication and downstream process facilities, and Oilfield engineering services, including the upgrade, refurbishment and new building of land rigs.