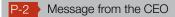
Lamprelltimes



News from the Lamprell Group

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Message from the CEO

As we move forward into 2014, I am pleased to report that due to your hard work, we expect the results for 2013 to be ahead of our previous expectations and I am extremely pleased with the effort made to achieve significant improvements in our safety performance. 2014 has been a busy

year so far with a high level of activity in our yards, the roll out of additional improvement initiatives which we made significant progress on in 2013, essentially improving our bottom line, and we continue to make noteworthy enhancements to our project execution. February saw the delivery of the Qarnin rig, on time and on budget to our client NDC. We also secured a 'first in the Middle East' with the load-in operations for the offshore rig MOS Frontier into our Sharjah yard. This is the first time a jack up rig has been brought out of the water onto land in the Middle East, marking a significant milestone for Lamprell.

The next step to secure our future is to see how we can improve our facilities and processes to make us more efficient and competitive in order to win more projects and so, Project Evolution was born. This initiative was launched in February and aims to improve our overall performance, yard efficiency and project delivery, read more on page 18. The Quality Group recently launched the CROP (Cost Reduction Opportunity Program) initiative which gives employees an opportunity to give us feedback as to how we can improve processes and systems at Lamprell. This scheme, which has financial rewards attached, will directly influence Project Evolution and I encourage all of you to contribute and be part of the process.

In March we completed the sale of INSPEC to Intertek Testing Services Holdings Limited. The strategy behind this sale is to allow Lamprell to focus our energies on our core activities of new build rigs, new build construction, land rigs and rig refurbishments. Lamprell will remain a significant customer of INSPEC and we have entered into a multi-year preferred supplier agreement with Intertek for the provision of services by INSPEC.

Q2 will see the sail away of Nexen's GEAD PUQ deck which has been one of Lamprell's largest on-going projects with a lifespan of over two years. It is a very impressive structure and we are very proud of the fact that we have run over nine million manhours without having any lost time incidents. The deck will sail to the North Sea and be installed 70 kilometres northeast of Aberdeen with first oil expected to be extracted next year.

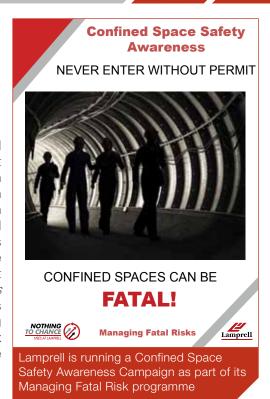
Over the last six years we have delivered a total of 20 new build jack up rigs (including both drilling units and liftboats) and eight Super 116E jack up drilling units and our order book remains strong. As part of our commercial and business development efforts we have hired a new CCO, Karl Roberts (see more on page 15), please join me in welcoming him to the team. Finally I want to thank everyone for your continued efforts, let's continue to work hard together and look forward to a successful and safe 2014 for Lamprell.

Jim Moffat

HSES

Confined Space Entry Campaign Kicks Off in Lamprell Yards

In support of Lamprell's Managing Fatal Risk programme, the Lamprell HSES department is running a series of awareness campaigns. The first of these campaigns is designed to highlight hazards associated with working inside confined spaces. HSES Vice President Alan Robson commented "we continue to read about serious incidents that occur in the construction and fabrication industry as a direct result of confined space work activities." At Lamprell we demand the highest of standards where confined space entry activities are concerned and we must make everyone aware of the potential hazards. The key message in our current HSES awareness campaign is: "Think before you enter – confined spaces can kill". Each awareness campaign consists of a series of initiatives including HSES audits, procedural and JSA reviews, specific training programmes for our site teams, management led hazard hunts, tool box talks, safety quizzes, safety videos and the display of confined space banners and posters.





Lamprell Going Green – Paper, Styrofoam and Plastic Reduction

Lamprell continues to make efforts to improve its environmental impacts and with that we have introduced a major reduction on the use of paper, styrofoam and plastic products within our offices and yards. As of 1 January, our procurement department issued a withdrawal notice which mandates that all Lamprell offices comply with the purchase ban of polystyrene foam products, disposable petroleum-based plastic water bottles and all petroleum-based plastic disposable utensils and plates. As part of the programme, all office based employees were issued with a re-useable mug, yard workers were issued with water flasks and all office kitchens now contain reusable porcelain mugs and glasses. VP HSES Alan Robson states, "Not only is there a cost benefit but also several environmental benefits including reduced waste disposal impacts and an enhanced reputation in the eyes of investors and other stakeholders who want to be associated with an environmentally responsible company."

Hamriyah Doctor's Timely Intervention

A Lamprell employee was admitted to hospital last November by Lamprell's onsite doctor after complaining about mild chest pain. Doctor Surjya Kamal Bhuyan assessed the patient and quickly realised that he had ventricular fibrillation that required immediate hospitalisation and probable cardiac shock to correct the irregular rhythm of the heart. The patient was swiftly transferred to GMC hospital where he ended up suffering cardiac arrest soon after arrival. HSES VP Alan Robson commented "The timely intervention by our medical team and GMC hospital emergency care saved the patient's life and our thanks go out to onsite Dr Bhuyan for assessing the situation quickly and effectively."



Lamprell onsite medic Dr Surjya Kamal Bhuyan saved an employee's life by diagnosing a life-threatening condition quickly and efficiently

New Build Offshore

North Sea Project Celebrates 9 Million Manhours LTI Free in the UAE

An event was held at Lamprell's Jebel Ali facility on 30 January to celebrate nine million manhours without a single lost time incident on Nexen's Golden Eagle Area Development project. A number of speeches were given congratulating the team and thanking everyone for their hard work including those by Lamprell CEO Jim Moffat and Nexen MD Archie Kennedy, who flew in from the UK especially for the occasion. A short slide show and video showcasing progress on the project over the past two years was shown and this was followed by an HSES award ceremony. Each month, employees are awarded for their outstanding contributions to health and safety and a number of prizes and certificates were given out at this event. Nexen contracted Lamprell to build two decks for the Golden Eagle Area Development, a £2 billion investment on new platforms expected to produce 140 million barrels of oil over an 18-year period, back in 2011. The wellhead deck was delivered and installed in June last year and the production, utilities and quarters (PUQ) deck, which measures 85 x 40m (279 x 131ft) and will weigh approximately 10,000 MT (11,023t) will be delivered this April. The project is nearing completion and the team are currently gearing up for load out and sail away. Final destination is the North Sea, approximately 70 km north-east from Aberdeen, Scotland where the PUQ deck will be installed.



Employees were rewarded for HSE performance at the Nexen nine million manhours without an LTI event. Pictured front (L to R) Joy A Payyapally, Milind More, Krishna Kumar, Md. Khalil, Muhammad Ayaz, Jahid Hossain, Suresh Kumar, Shafiqul Islam, Satheesan M.S. and Irfan Yaqoob. Back (L to R) Deputy Project Manager Juzer Master, Nexen Director Operations Ray Riddoch, VP HSE Alan Robson, Lamprell CEO Jim Moffat, Nexen Project Manager Andy Barker, Nexen MD Archie Kennedy, VP Facilities & Fabrication Neil Millar, Project Manager Sead Hodzic, Project Director Darren MacDonald, Nexen Project Development Manager Paul Harris, Nexen Safety Advisor Mansoor Poozhithodi, Yard Manager Dave Kennedy and HSES Coordinator Fareed Surve



Nexen MD Archie Kennedy delivers a speech at Lamprell's Jebel Ali facility in Dubai during the Nexen nine million manhours without an LTI event

New Build Offshore

Iraq Crude Oil Export Facility Construction Progress Continues

Bridge construction for campaign 2 of the VS1 and VS2 decks has been mechanically completed and handed over to our client Leighton for commissioning purposes. The VS1 deck is on track and will be ready for load out with departure scheduled in Q2. All major lifts, with the exception of the metering skid, have been successfully performed without incident. VS2 is near completion, on schedule and due for mechanical completion by the end of Q1. Project Manager, Dave Morris goes on to say that "In the last six months we have achieved a no incident record (lost work day cases) which is an excellent safety record and is testament to our on-going safety initiatives. Our project team have diligently progressed in a professional manner, together with our production tradesmen in the field and continue to work in a safe manner to achieve our deadlines. Congratulations go out to the team."



(L to R) Project Engineer Prashanth Nair, Project Engineer M Kanu, Project Engineer Shridhar Rao, Project Manager Dave Morris, Production Engineer (Mech) J Panchal, MC Coordinator Muthu Kumaran, Planning Engineer Ragavan and Production Engineer (E&I) Joel Calma get together for a picture in front of Leighton's VS1 deck

Steel Cutting Commences on Jalilah B Project

Lamprell and Technip team members working on the DPE Jalilah B Field Development Project held a celebratory event on 5 January to commence the cutting of first steel in Lamprell's Sharjah yard. Scope of work on this project includes the fabrication, onshore commissioning and load out of a 12 slot wellhead platform, jacket, piles, risers and installation aids, as well as offshore hook up. Project Manager Anees Sulaiman commented "The project was awarded to us by Technip in December 2013 and delivery date is scheduled for September 2014. This offshore platform is being built for Dubai Petroleum and is progressing well, I am extremely proud to be part of this team and want to thank everyone on the project for all the great work they have done to date."



DPE Jalilah B Field Development project team members celebrate first steel cutting at an event held on 5 January. Pictured (L to R) HSE Manager John Van der Berg, Contracts Manager Michael Rainey, Planning Manager Paul Knight, Project Manager Darren McDonald, DPE Project Manager Ian Grey, Technip Project Manager Len Talbot, Technip COO Nabil Aouad, Technip Construction Manager Ghassan Okashih, Project Manager Anees Sulaiman, Yard Manager Jovo Milos and Project Engineer Syed Shahzad

New Build Jack Up Drilling Rigs

NDC Inauguration Ceremony Held in Hamriyah

Lamprell and NDC inaugurated the jack up rig Qarnin, at a ceremony held at Lamprell's Hamriyah facility on 13 February. The rig departed the facility on 9 March enroute to its drilling location in Abu Dhabi. The contract for the NDC Qarnin rig was signed in October 2011 and this is the third in a series of six identical rigs being built by Lamprell. The event was attended by senior management from Lamprell and NDC as well as ADMA- OPCO CEO Ali Al-Jarwan. Speaking at the event, NDC Chief Executive Officer Abdalla Saeed Al Suwaidi commented: "NDC's commitment to creating steady growth, advancing operational excellence and establishing the highest levels of safety and efficiency have enabled it to become the reliable Abu Dhabi based drilling services provider that it is today. A modern rig fleet is essential to sustainable success and NDC launched this major Offshore Rigs Acquisition Project to guarantee the highest levels of reliability and ensure complete readiness to meet our clients' present and future needs. We would like to express our appreciation to Lamprell for their cooperation and dedication throughout the duration of this project."

Qarnin rig now joins its sister rigs, Makasib which was delivered by Lamprell to NDC in July 2012 and Muhaiyimat which was delivered in December 2012. The remaining three rigs are all proceeding on schedule and will be delivered as planned in 2014/15. Commenting on the delivery, Jim Moffat, Chief Executive Officer, Lamprell, said: "I am pleased to announce the completion and delivery of this third jack up rig to NDC, on time and within budget, to world class standards of safety and quality. The delivery of this latest rig is testament to Lamprell's excellent capabilities in project execution in the field of new build jack up rigs. This successful project delivery would not have taken place without close teamwork and the strong relationship between the Lamprell and NDC project and management teams. We look forward to working with NDC on the remaining three projects which are all proceeding well and as planned."









- 1. Lamprell Non-Executive Director Peter Whitbread, NDC CEO Abdalla Saeed Al Suwaidi and Lamprell CEO Jim Moffat
- 2. Lamprell Qarnin Project members at the inauguration ceremony
- 3. Senior Management from Lamprell, NDC and ADMA-OPCO during a tour of the rig Qarnin
- 4. Lamprell CEO Jim Moffat, ADMA- OPCO CEO Ali Al-Jarwan and NDC CEO Abdalla Saeed Al Suwaidi cut the ribbon at the Qarnin rig inauguration ceremony held in Lamprell's Hamriyah facility on 13 Feb

Jindal Pioneer Construction Progressing on Schedule

The construction phase of Jindal Pioneer for our client Dev Drilling Pte Ltd, part of the DP Jindal Group, is now well under way in Lamprell's Hamriyah facility. This project was awarded in February 2013 and to date major structural works are progressing well as equipment installation has commenced. Lamprell Project Manager Daan Noothoven van Goor commented "In January 2014 the team completed the third major milestone ahead of schedule which again is a tremendous achievement by our enthusiastic team. With our commitment to safety and quality at the forefront of the project, we look forward to delivering this rig to Dev Drilling Pte Ltd and add to the DP Jindal Group's growing fleet."



Construction on new build jack up rig Jindal Pioneer is well under way

Wind Farm Installation

Seajacks Hydra Loads Out Safely and on Schedule

The Hamriyah based Seajacks Hydra project has had a very successful start to 2014 - completing a number of major milestones safely and on schedule. Leg installation was completed ahead of schedule in January as a result of the great teamwork between the Hamriyah and Sharjah yards. The leg rack and chords pieces were delivered separately to the Sharjah yard where they used their column and boom machines to weld them together. This resulted in the timely delivery of a high quality product as the Sharjah team have the most appropriate equipment for this process as well as a highly experienced team. The rack and chords were then transported to Hamriyah where they were welded to the braces to form complete legs. These were then outfitted, painted and installed safely and against a tight schedule thanks to excellent coordination between the pipe shop, rigging department and Seajacks Hydra Production, Quality and Projects team.

The four main engines were also load tested in January and this was an important milestone that enabled Hydra to be jacked up on land ahead of schedule in February. The rig was then loaded out in Lamprell's Hamriyah yard on February 23 and floated off the following day. Pleased with the progress to date, Project Manager Tom Hart commented "I would like to thank everyone involved in the project for their hard work and cooperation, let's keep achieving our milestones safely and on schedule until project delivery in Q2." Hydra is a self-propelled jack up vessel, specifically designed for offshore wind, oil, gas installation and maintenance services. This vessel is a similar Gusto MSC NG2500 design to sister vessels Seajacks Kraken and Leviathan, incorporating a fully redundant DP2 propulsion system, 900m² free deck area, accommodations for 100 persons and a 400T crane.



The Seajacks Hydra team celebrate a successful load out in Hamriyah



Seajacks Hydra Loads Out at Lamprell's Hamriyah facility on 23 February

Land Rig Services

Two Mud Systems Delivered to Arabian Drilling Company

Two 5,000bbl mud systems have been delivered on time and on budget for Arabian Drilling Company (ADC) rigs as per Aramco's schedule G specifications. To date the Land Rig Services group has delivered four mud systems to ADC and we continue to enjoy a healthy relationship with our client.



The mud systems were fabricated at Lamprell's Rig Metals yard in Dubai Investments Park where we have been focusing on making various facility improvements. We are now also constructing new fabrication pads and have a newly installed tower crane and additional crawler cranes

New Licenses for LRS and Rig Metals

Lamprell recently obtained the new API 16D license for Land Rig Services in Hamriyah. This licence will allow us access to various new projects as we can now develop control systems for drilling well control equipment. The main intention for the division is to build and repair BOP closing units for clients and the addition will allow us to cover a bigger scope in our new build and refurbishment projects. API 16D also adds to our existing API licenses portfolio and capabilities which include 4F, 8C, 7K, 16C and 2C.

In addition to this, we also obtained a new API 16C license for our Rig Metals facility located in Dubai Investments Park which will allow for choke and kill system manifold assembly, monogram and testing and the fabrication of choke and kill lines. Congratulations go out to the LRS, QA/QC and Engineering teams who worked hard to acquire these licenses.



API 16D monogram/certificate obtained by Land Rig Services (LRS) in Hamriyah

Land Rig Services

New Client Abraj Energy Services Awards Project to Lamprell

The LRS group are pleased to announce their first ever project with new client Abraj Energy Services for the design, fabrication and commissioning of a 100ft high coiled tubing tower. LRS General Manager Hani El Kurd says "We are delighted to add a new client to our growing business and continue to build strong relationships in Oman. This is the largest structure of its kind designed by the LRS team, it is DNV approved and we were very excited about this project." The job, which was awarded in October 2013, was built in Lamprell's Rig Metals yard in Dubai Investments Park, rigged up, and commissioned successfully in January 2014.

This Coiled Tubing Tower was successfully delivered to new client Abraj Energy Services in January



LRS Continues to Perform Site Inspections

Land Rig Services Quality Control, Engineering, and API workshop personnel have been flying around the region visiting our clients' sites for inspection and recertification of structures, rotary and hoisting equipment as per API recommended practice procedures. Multiple site inspections have taken place in Kuwait, Egypt and Saudi Arabia and thanks go out to the Engineering, QC and API Workshop teams performing these activities.



Choke Manifold Work Complete

The Land Rig Services group handled the fabrication, assembly and testing of this choke manifold WP 5,000psi, PSL3 in Lamprell's Hamriyah facility for our client EDC in December 2013. The manifold was tested successfully and monogrammed with the API 16C logo. This project builds on Lamprell's track record in the supply of monogrammed choke manifolds to the industry.



Choke manifold successfully delivered to EDC

Engineering and Construction

ASME Renewal Audit Successfully Completed

The ASME certificate renewal audit for Lamprell's Sharjah facility has been successfully completed thanks to the hard work of those involved in the audit process. Significant efforts were made by the team to update relevant MIS ASME procedures and records and the renewed certificate will be received in Q1.



Team members who were involved in the successful renewal of the ASME audit get together at Lamprell's Sharjah facility

Lamprell Supply Pressure Vessels to Petroserv

Lamprell was awarded an EPC contract for 20 pressure vessels for Petroserv Qatar, with end user being Qatar Petroleum, for its Dukaan project, including 11 closed drain vessels and nine knock out drums. Engineering and procurement are mostly complete with fabrication work well under way at Sharjah's main yard. The vessels will be progressively delivered as per client priorities with a forecast delivery of all vessels by the end of Q2.



EMARAT Awards FPI Contract

Lamprell was awarded a contract for the replacement of Double Block and Bleed (DBB) plug valves at EMOIL's Terminal by EMARAT in September 2013. EMARAT and EMOIL/EMDAD jointly own and operate a petroleum product storage and distribution terminal in Jebel Ali. Scope of work includes engineering, procurement and installation work and completion is expected in Q4.



EMOIL's Terminal in Jebel Ali where Lamprell will be completing replacement of DBB plug valves

Engineering and Construction

Sajaa Full Field Compression Project Delivered

Lamprell has successfully delivered the Sajaa Full Field Compression Project to its client Petrofac after completing construction, engineering, procurement, piping, mechanical, electrical, instrumentation and commissioning work. 288,000 manhours were completed during the course of the project cycle without any lost time incidents, which is an excellent achievement for Lamprell. Sharjah National Oil Company (SNOC) & Petrofac undertook this project with the aim of increasing production to ensure they could cater to the increasing demand for gas supply in the Emirate of Sharjah. Construction started in April 2012 and all 12 booster compressor packages were safely and successfully installed, commissioned and delivered in Q1.



Fast Flush & Jet Fuel Filtration

Facilities Awarded

Lamprell was awarded a contract for engineering, procurement and multi-discipline construction of Fast Flush & Jet Fuel Filtration Facilities at Horizon Emirates Terminals LLC in Fujairah in October 2013. Other ancillary include an additive injection and fire protection system, instrumentation and control systems, area lighting, piping, earthing and all other related civil and structural works. Major engineering activities are nearing completion and procurement of long lead items is in progress with site mobilisation planned in Q2.



An engineering diagram of the Jet Fuel Filtration Facilities

Mechanical Works for Multiple Projects Awarded in Jafza

In November 2013 ENOC Processing Company Ltd, who operate a 120,000-bpd condensate processing facility in Jebel Ali, awarded the contract for mechanical works for multiple projects at their Jebel Ali Refinery to Lamprell. Scope of work includes engineering, procurement, fabrication, installation and pre-commissioning with project completion expected in Q2.



ENOC's processing plant in Jebel Ali

Rig Refurbishment

A First in the Middle East: Jack Up Rig Brought onto Land

Lamprell successfully completed load-in operations for the offshore rig Millennium Offshore Services (MOS) Frontier into our Sharjah yard, literally creating a dry dock environment for refurbishment work to be carried out onshore. This is the first time a jack up rig has been bought out of the water and onto land in the Middle East, marking a major achievement for Lamprell. In January the project team celebrated 1,000,000 manhours without a lost time incident as well as 51% project completion, marking another major milestone in this conversion project.



A first in the Middle East, a 7900 MT jack up rig MOS Frontier is successfully bought onto land for refit and positioned safely to begin its overhaul and conversion process

Lamprell Project Manager Colin James Lester said "The

project management team would like to express its thanks to each and every member of the MOS Frontier conversion team, your efforts to date have been outstanding, the project is progressing on schedule and we have an impeccable safety record which you can all be very proud of."

Lamprell is performing a complete conversion on this rig which will consist of construction, fabrication, outfitting, equipment, machinery and electrical installation of an MLT 116C jack up drilling unit into an offshore jack up accommodation support vessel for operation in the Timor Gap in South East Asia. Lester continues "Bringing life back to a drilling rig that has performed work for over three decades in various locations around the world is no small feat and progress to date has been successful due to the close working relationship Lamprell has with our Vendor ABS and client MOS. Lamprell will deliver the rig with a new lease of life to complete its task in the field for many years to come."

The rig arrived at Lamprell's Sharjah facility on 15 September, the project has a life span of 290 days with sail away expected on schedule.



Lifting the 106 MT galley office block into its final position

Services Business

2013 Annual Luncheon Event at MIS Arabia

To acknowledge the achievements of the MIS Arabia team for 2013, management organised a year end luncheon at the MIS workshop in Jubail in January 2014. The key note speech was delivered by CEO & General Manager Mazen Shaat, where he expressed his appreciation of the MIS Arabia team's efforts in 2013 and encouraged them to keep up the good work in 2014. Senior management distributed honorary certificates to employees who had completed 10 years with MIS Arabia and several lucky draw prizes were distributed to employees.



MIS Arabia CEO & General Manager Mazen Shaat during the annual luncheon

O&M Employees Awarded

The O&M Services Division recently introduced a 'Perfect Attendance & Punctuality Award' with the purpose of encouraging personnel to maintain good attendance records. Seven employees were recognised and gift cards and certificates were awarded. In addition, the O&M employees working at DPE Offshore continue to have unparalleled success and have once again won the Horizon Zero Hero Safety Awards with the most recent accolades going to Pipe Fabricators Benoy Pradhan and Paulson Thomas who were awarded with a watch and certificate. Congratulations go out to the O&M team for all their great efforts over the past guarter.





Fabricator Manikandan Namadevan (left image) and Welder Mannukumar Tribhuvan Yadav (right image) receive certificates for winning the Perfect Attendance & Punctuality Award from O&M Services General Manager Mohammed Kunhi and O&M Services Operations Manager Mohammed Ali





Lamprell employees Paulson Thomas (left image) and Benoy Pradhan (right image) received certificates for winning the Horizon Zero Hero Awards from DPE Fateh Offshore Installation Manager Johnson Raju

Services Business

O & M Services Division Project News

Lamprell's Operations and Maintenance (O&M) services division successfully participated in the DUGAS Methyl Tertiary Butyl Ether (MTBE) plant shutdown project in November 2013. This project consisted of 53,554 manhours and was performed without any lost time incidents. During the same month the group secured a new manpower support services project with Drydocks World Dubai and successfully deployed around 40 skilled personnel.

The group also completed mobilisation of 700 tradesmen including welders, fabricators and electricians under its New Manpower Pool wing. These employees were deployed at major sites including the Sharjah main yard, Hamriyah yard, Drydocks World Dubai and DPE Offshore. In January 2014 the group successfully completed the 3rd phase of this recruitment exercise in India and selected 166 skilled welders.





New Branch Manager at Sunbelt

Zhaslan Iklikov joined Sunbelt in 2001 and was recently promoted to Kazakhstan Sunbelt Branch Manager. Zhaslan is responsible for the overall leadership of the Kazakhstan branch, reporting to Sunbelt General Manager, Hisham Bader. Zhaslan graduated from West Kazakhstan State University with a Bachelor's Degree in Accounting and holds a degree in Master of Business Administration (MBA) from the Russian Presidential Academy. Zhaslan will lead our efforts in the areas of customer needs and marketing strategy.

Kazakhstan Sunbelt Branch Manager Zhaslan Iklikov

Sunbelt Recent Project Awards

Sunbelt recently won a number of project awards including a five year contract providing $\rm H_2S$ safety services to client Gazprom Neft and a two year contract with Oryx Petroleum, both for onshore production facilities. In addition, they were awarded a one year contract with Oil Search Iraq Ltd. B.B. and a two year contract with Taq Taq Operating Co. Ltd for onshore drilling facilities.

H₂S safety equipment being inspected at Sunbelt's office in Jebel Ali



HR

New EVP & CCO Joins Lamprell

Karl Roberts joined Lamprell in February 2014 as Executive Vice-President and Chief Commercial Officer, reporting directly to Jim Moffat. Karl has had a distinguished career and brings with him over 28 years' business development, operations and strategy experience in the EPC industry. Karl took his first business development role in 1991 with a JV entity involving Brown & Root and Saipem where after he took on various high level sales and business development assignments for KBR in the UK, Asia Pacific and US. In 2002 he managed the commercial and business development activities for KBR's Asia-Pacific region and one of his biggest accolades during this time was to lead the sales team responsible for winning the multi-billion dollar Gorgon LNG Project, the largest of its kind today. He later moved through



several notable, strategy, commercial and business development positions before becoming Senior Vice-President of Sales and Marketing for a multi-billion dollar business unit in the US in 2008. Most recently, Karl was the President for KBR's Canadian construction and fabrication business division where he doubled year on year revenues between 2011 and 2013 including a tenfold increase in backlog. Karl has a BSc in Civil Engineering from the University of Plymouth, Devon.



The Engineering Champion Award was presented for Q3, 2013. Pictured (L to R) Group Piping & Layouts Manager Lancy Pinto, Group Rigs & Construction Engineering Manager Krishna Kumar, Senior Piping Engineer Sudhi Nair, Engineering VP Sabih Laham and HR & Admin VP John Macdonald

Engineering Champion Award for Q3 2013 Announced

Congratulations go out to Senior Piping Engineer Sudhi Nair who received the Q3 Engineering Champion award for 2013. Sudhi is responsible for the piping design on new build rigs in Hamriyah. He met all his KPI's and delivery dates while working on Jindal Pioneer and Greatship Chaaru for the last year with outstanding control on quality and manhours and he has been instrumental in achieving design improvements, piping weight reduction, recommending cost saving alternatives and maintaining a continuous dialogue and interface with clients and other disciplines.

Employee Referral Scheme - Referral of the Quarter

We have a fantastic network of professionals working for Lamprell who can help us tap into our industry's talent pool. In the past Lamprell did not utilise this avenue for sourcing talent so we decided to launch the Lamprell referral scheme. You will have seen posters around the offices promoting the scheme and noticed that we are more forthcoming with our internal online advertising of job opportunities. We would like to continue to encourage all of you to keep an eye on our vacancies and think about the professionals you have worked with in the past with a view to referring them to HR when we have open vacancies. So what's in it for you? Lamprell will reward you financially for your efforts and you will have the satisfaction of knowing that you have assisted in Lamprell's



a cheque from Group HR Manager Julian Panter and Sarita Ramani (pictured right) and for referring newly appointed Corporate Communications Manager Sofie Verbruggen (pictured left)

continued success and development. One of our recent success stories is the referral of Sofie Verbruggen, our new Corporate Communications Manager via Project Manager Daan Noothoven van Goor with whom he worked at his former company. Sofie joined us four months ago and is doing a great job. Please check 'Talent Connect' on the intranet for further details of how you can benefit from this employee referral scheme or contact Sarita Ramani who leads the Recruiting team. We look forward to receiving your referrals.

HR



Jo and husband Andy in Amalfi, Italy after a night of dining



Jo and Natalia enjoy skiing, this photo was taken in Whistler, Canada last Christmas



Tanzania

Meet Jo Curin, Lamprell's Chief Financial Officer

LT: Why did you choose Lamprell?

Jo: I like the industry, met the people and liked the passion and commitment of the team and most of all, I like a challenge and I thought I could make a real contribution to the next phase of re-establishing Lamprell as a growing attractive business . Also, I love to live in new places, make new friends and am keen to learn more about the

LT: Tell us a little bit about Jo...

Jo: I was born in New Zealand (NZ), lived most of my adult life in the UK, but still have very strong ties to NZ as my brothers, parents and many close friends are there. I live with my husband Andy and gorgeous step-daughter, Natalia who has just turned 12. Hove to cook and entertain at home with friends, travel and explore new places with my family, ski and enjoy anything to do with the sea. I grew up in a house that had its own beach, so water has been a big part of my life - I enjoy sailing, diving and fishing. I should have golf on that list as Andy is a golf professional but I'm afraid his talent hasn't rubbed off on me! My latest craze is Bikram yoga which I have a rather love hate relationship with, but it helps to offset the stress and my love of good food and wine! I love to go to new places - our favourite holiday was a safari in Africa combined with a week on a remote wild Tanzanian beach. Somali pirates came to mind but we soon dismissed that thought as it was just so amazing. I have lived in the UK, Australia, US and NZ, but worked just about everywhere including China, India, Korea, the wilds of South America and Africa.

LT: Tell us a bit more about your role and what you deal with on a day to day/ month to month basis...

Jo: My role is a mixture of managing the day to day – tracking performance, approving capex, reviewing bids, identifying ways to do things better, supporting improvement initiatives such as Compass and Project Evolution and making sure we get paid by our customers. I communicate with our bankers, shareholders and broking analysts, getting them excited about Lamprell so they continue to provide the funding we need to grow the business. I also have to forward plan and think about the next five years, analysing markets, competitors and the strengths of Lamprell and deciding where to put our focus and resources to grow the business in the future.

LT: Tell us something about yourself that no one else at Lamprell knows...

Jo: 1) I used to be really shy when I was young and never spoke up. Hard to believe isn't it! 2) Andy and I love to dance, in particular the tango. We still have some way to go before you could say we were good, but we fancy ourselves hanging out in Argentina when we are done with earning a living. My Dad, at 91, is still dancing twice a week, so hopefully I have a few years more. 3) 30 years ago I was due to make my first visit to a rig - a Diamond Offshore jack up, not far from Indonesia. There was a last minute hitch when I was waiting for the helicopter - the drilling superintendent said I wasn't allowed to board as a female would bring bad luck and bad things would happen to the rig. Somehow my company convinced him to take the chance and fortunately no mishaps occurred during our drilling campaign. Hopefully he learnt that there is no difference between men and women!

LT: What message do you have for our employees, customers and shareholders?

Jo: For our employees...it's up to all of you. We can be a great company but not without your ideas, skills and commitment. For our customers...we will deliver, no matter the hurdles, we care about what we do and that our employees go home safely every night. For our shareholders...stick with us because we know we can make this company more successful.

HR

Thunder Bowls Win Inter-Department Bowling League

Lamprell's first inter-department bowling league commenced when it rolled its first ball in September last year at the Dubai International Bowling Centre in Al-Mamzar. Stretched over an 18 week period, the final game and award ceremony took place on 15 January where team *Thunder Bowls* (Projects/Planning/Production/Operations) came out on top winning the series. Second place went to *Pin Shooters* (Procurement & Supply Chain) followed by third place



Team *Thunder Bowls* came out on top winning. Lamprell's bowling league

which went to *Bowling Stones* (LRS/O&M/Sunbelt). Additional awards went out to team *Pin Shooters* who were awarded the VP prize for 'Best Team Logo' and team *INSPEC* who won the prize for 'Best Team Spirit'. Congratulations go out to all. 14 teams from different departments across our various facilities participated and each week tensions were high as they waited for the results of the week's winning team and top bowlers. VP HR & Admin John Macdonald commented "This team building exercise has worked positively for our staff, not only in encouraging a sense of team spirit, but also in facilitating inter-personal relationships amongst employees across all our facilities. I want to give special thanks to the events committee, led by Sharjah HR Manager Faiz Mohamed and the transport team who unselfishly gave endless hours in the support of the league and also to all our participants for making the event such a success." We have more fun sporting activities scheduled for this year so watch out for updates on LamprellConnect and we look forward to your on-going support.

Lamprell Supports Philippines Disaster Effort

In November last year Typhoon Yolanda (Haiyan) brought havoc across the provinces of Central Philippines leaving more than nine million people homeless, injured and starving. Thousands were feared dead and many were struggling to survive without food, shelter or clean drinking water. Lamprell immediately took action and assisted in the recovery efforts by collecting canned food items, clothing, bedding, toiletries, medicine, water and more which were then transported to LBC Freight Forwarding Company for delivery. Thanks go to all employees who donated items and to Galo Calizo and Giselle Sarabia who volunteered to arrange the collection and drop off of at LBC's offices. In addition, Lamprell donated \$10,000 to the cause and agreed to support a trip for Lamprell Marketing Assistant Rika Yoshitomi, who is a qualified nurse, to travel to the disaster struck country and assist with relief efforts. Read on to see what Rika had to say about her experience:

LT: Why did you go to the Philippines after the disaster struck, knowing that the situation could get worse and you could be put in harm's way?

Rika: I was scheduled to take my annual leave around the same time the disaster hit and after hearing colleagues ask for volunteers and the general cry out for help, it just made sense for me, being a qualified nurse, to change my travel plans and go and assist. I flew out straight after ADIPEC.



Lamprell Marketing Assistant Rika Yoshitomi went to the Philippines to help with the relief effort

LT: What did you do in the Philippines after the disaster struck?

Rika: A week after I reached the Philippines a number of volunteer drives were being organised by the local government and NGO's around my hometown. Along with the locals, I helped by packing basic need items for survivors which were donated by people from all walks of life. I also joined a medical mission that went to the typhoon ravaged Tacloban city for a week. I then participated with the "Tsinelas" slipper project which aimed to collect slippers to be distributed to the evacuees. Upon my return to Dubai I signed up online with Habitat Humanity which aims to collect funds to rebuild the houses for those affected and signed myself up as a volunteer on call for both Habitat Humanity and Gawad Kalinga.

LT: Tell us a bit more about the experience

Rika: The experience itself is life changing. I came from a town where a typhoon occurs in almost everyone's calendar and where earthquakes and volcano eruption can come any day but nothing prepared me for the magnitude of this disaster. The most heart breaking for me was the stories of those who died in vain while waiting for food, water and medical supplies right after the storm. I would personally like to thank everyone who extended their hands to help.

LT: Did anyone close to you get hurt in the disaster?

Rika: No one! I'm really grateful for that.

HR & General News

Lamprell Gems Recognised and Honoured

At Lamprell we believe that employees are the backbone of our organisation and our long serving recruits have been instrumental in achieving the immense growth that we have experienced in the last few decades. To acknowledge their contribution we hosted our 'Long Service Awards' for those who have served 20, 25 and 30 years of service. The event was held on 12 December at our Sharjah facility with a total of 45 employees being presented with awards. CEO Jim Moffat, who presented the awards, commented "We are proud of the loyalty our employees have shown us and I would like to once again congratulate and thank them for their dedicated service with the company."



Project Evolution is Born

Our CEO, Jim Moffat and the Senior Management Team assembled last year to define Lamprell's specific strategy and focus areas for the group, both in the short and longer terms. One of the teams was assigned to review Lamprell's current execution and production processes and identify internal improvement opportunities that would ultimately reduce the costs of our operations and enhance product delivery. As a result a study was conducted through December and January and the results were presented to the Lamprell Board in mid-January leading to a unanimous agreement to initiate the programme quickly and realise the opportunities as soon as possible.



Project Evolution was born.

Although Lamprell secured a solid year in 2013 and is making good progress in improving the overall profitability, the cost of product delivery remains high. It is recognised that there is a major opportunity in working our operations more efficiently, reducing delivery costs and therefore increasing our competiveness. The Evolution team will therefore be looking to improve the processes we use, the yard layouts and the flow of work within them and will aim to develop a collective culture for continuous improvement. The overall philosophy is to make ourselves work in a more productive way and bring down the costs to deliver projects. These cost reductions will enable us to win more projects to help keep us all busy now and into the future. The team comprises of representatives from the key organisation areas such as projects, production, engineering, procurement, finance, HR and IT services. Some are assigned full time while others are engaged as required. The core team is represented by Jovo Milos, Suresh Ramadoss, Faiz Mohamed, Aanand Mandelia, Prashant Nair, Khurram Shahzad and Garry Benge and the team will draw upon other internal specialists progressively. The team is led by Darren MacDonald, the Evolution Project Director and operates under the sponsorship of Neil Millar. Execution plans, opportunities and investment requirements will be submitted for consideration and sanctioned to the projects Steering Committee. There are twenty two opportunities identified in this project so far. These include focus areas on fabrication techniques, production processes and related controls and measurement, yard layouts & capabilities, work package enabling and better transition between projects, engineering and production. There is also a large focus on the procurement and service related spend portfolios. Lamprell has a first class reputation for Safety, Quality and Delivery which is why so many clients are attracted to us in the first place; however that comes at a price and with growing competition both locally and internationally we have to narrow this gap. We have to accept that our current approach is not sustainable in the longer term and that we must make way for the much needed positive changes. This is about improving our success, making us more competitive and ultimately growing the business. As the Evolution project moves forward the real success will lie with you, our people, and your ability to challenge, advise and support the concept. This is a win-win situation for us all. The more cost we can take out, the more work we will be awarded, giving everyone greater employment security. Darren and his team have already adopted a participative approach to finding the right solutions and will contact many of you to contribute. This is giving you the opportunity to influence our future – be sure to take it.

General News



Rig Build Synergies Targeted for Significant Cost Savings in Hamriyah

Leading up to the birth of Project Evolution, plans were already well way under way to improve the way we do our business. As mentioned in the article opposite, a team led by Zadok Van was assigned to review Lamprell's current execution and production processes and identify improvement opportunities. With excellent support from all disciplines during the study, a number of synergies beneficial to Lamprell were identified. Between November 2014 and March 2015 we will be delivering four rigs, namely NDC5, Jindal Pioneer, NDC6 and Greatdrill Chaaru. This delivery schedule is

unprecedented at Lamprell and is further challenged with the EDC2 delivery to Astrakhan which will take place early November. Lamprell started looking at this delivery schedule as an opportunity to maximise schedule gains and cost savings across the building of these rigs by targeting more efficient utilisation of resources and equipment. Synergies for the builds have been identified across five areas namely engineering, procurement, construction, subcontracts and commissioning and a schedule and cost saving target has been set. Key to the success of this initiative is collaboration between the project managers and Hamriyah yard teams. Lamprell have built a specific reporting mechanism to track achievements against our targets and are confident that by effectively communicating this initiative across functions and measuring ourselves as these projects progress, we will achieve better performance and put Lamprell in a more competitive bidding position for new build rig works.

Lamprell's Marathon Champ

HR & Administration team employee Muhammad Adnan took part in the 10th Annual Dubai Marathon on 24 January, an event that had more than 20,000 entries including some of the best marathon runners in the world. The event had three categories, namely 3, 10 and 42km and ardent sport lover Muhammad entered into the 42km group. He did us proud, not only by beating his personal best and finishing in 5 hours and 24 minutes but also by proudly flaunting a Lamprell T-shirt bearing our logo. Congratulations go out to Adnan and any other Lamprell runners who took part.

Muhammad Adnan successfully completed the full Dubai marathon in January





Lamprell Group

Certifications:

Bureau Veritas



ISO 9001:2008 ISO/TS 29001:2010 OHSAS 18001:2007 ISO 14001:2004

ASME



U,S,PP,U2

National Board



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Monogram Licenses



2B-0133 2C-0113 4F-0094 4F-0227

4F-0281 5CT-0531 6A-0570 7-1-0370

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API QMS



2427, 1315, 0881

API - Q1



Q1-1322 Q1-1114 Q1-0633

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