

HUNTING PLC HALF YEAR RESULTS 2012



Highlights

- **Record Half Year Performance***
 - EBITDA £78.4m (2011 - £35.5m) +121%
 - Improved EBITDA margin 19% (2011 - 14%)
 - Profit from operations £65.4m (2011 - £25.8m) +153%
 - Diluted EPS 28.6p (2011 - 12.5p) +129%

- **Continuing internal investment programmes throughout Group**
 - H1 2012 capital expenditure £37.2m
 - Expansion of Dearborn and Stafford facilities
 - Houma new facility due to complete Q3 2012

- **Disposal of Field Aviation in April 2012**

- **Interim Dividend increased to 4.5p (2011 - 4.0p) +13%**

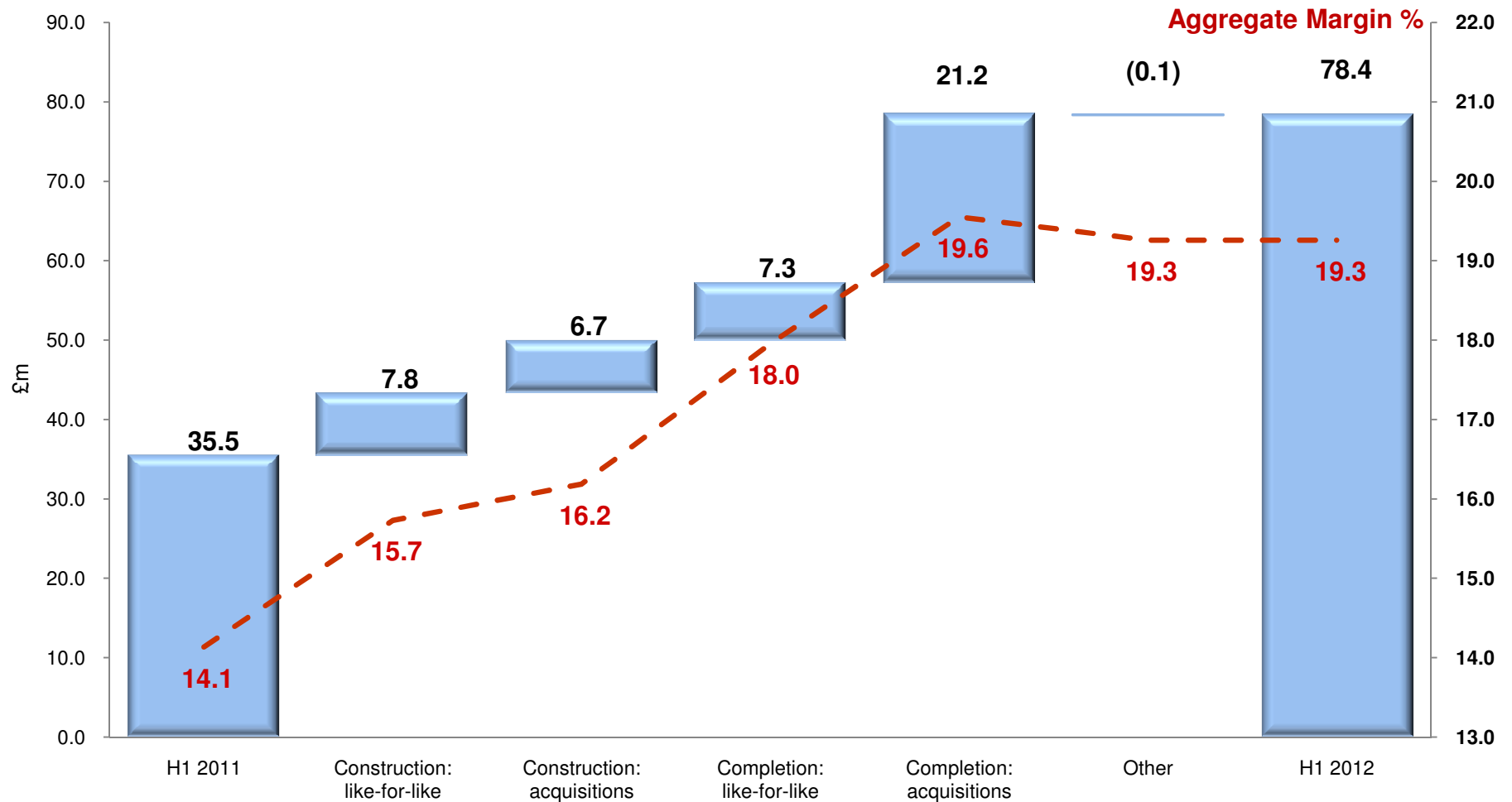
* Results are based on continuing operations before amortisation and exceptional items

2012 Half Year Results Summary*

	H1 2012 £m	Margin %	H1 2011 £m	Margin %	Change %
Revenue	406.9		251.3		+62
EBITDA	78.4	19	35.5	14	+121
Profit from operations	65.4	16	25.8	10	+153
Finance expense	(3.8)		(0.4)		
Profit before tax	62.0	15	25.8	10	+140
Effective tax rate	29%		30%		
Diluted EPS	28.6p		12.5p		+129
Dividend per share declared	4.5p		4.0p		+13

* Results are based on continuing operations before amortisation and exceptional items

H1 2011 - H1 2012 EBITDA Bridge



Segmental Results*

	Revenue	H1 2012 Profit from Operations	Margin	Revenue	H1 2011 Profit from Operations	Margin
	£m	£m	%	£m	£m	%
Hunting Energy Services						
Well Construction	135.9	21.8	16	77.8	9.2	12
Well Completion	225.0	38.5	17	131.2	11.3	9
Well Intervention	29.5	3.9	13	26.0	4.1	16
Exploration & Production	2.6	0.1	4	4.7	1.5	32
	393.0	64.3	16	239.7	26.1	11
Gibson Shipbrokers						
	13.9	1.1	8	11.6	(0.3)	
	406.9	65.4	16	251.3	25.8	10

* Results are based on continuing operations before amortisation and exceptional items

Amortisation & Exceptional Items – Continuing Operations



**H1
2012
£m**

Amortisation of intangible assets	14.4
Inventory fair value charge	6.1
Retention bonuses on acquired businesses	1.2
Oil & Gas reserve impairment	2.7
Continuing operations	24.4



Balance Sheet

	June 2012 £m	December 2011 £m
Property, plant and equipment	247.4	231.2
Goodwill	315.0	317.9
Other intangible assets	204.6	220.8
Working capital	255.8	261.2
Provisions	(59.5)	(60.5)
Dividend payable	(16.1)	-
Other	(13.2)	(20.2)
Net debt	(191.4)	(218.4)
Net assets	742.6	732.0
Gearing	26%	30%

Capital Expenditure – by Segment



	H1 2012 £m	Full Year 2011 £m
Hunting Energy Services		
Well Construction	12.7	30.0
Well Completion	13.1	19.6
Well Intervention	8.4	5.9
Exploration & Production	2.8	2.3
Others	0.2	0.2
	37.2	58.0
Split:		
Maintenance	12.2	12.8
New Business	25.0	45.2
	37.2	58.0

Capital Expenditure – by Project

		H1 2012 £m
Well Construction	- New drill tools and spare parts	7.9
	- Other equipment	4.8
Well Completion	- Houma new facility – US	5.9
	- Asia Pacific equipment	3.4
	- Other equipment	3.8
Well Intervention	- Stafford expansion – US	5.0
	- Other equipment	3.4
Exploration & Production		2.8
Other		0.2
		37.2

Cash Flow

	H1 2012 £m	H1 2011 £m
EBITDA	78.4	35.5
Working capital movements	(0.6)	(9.0)
Interest and bank fees	(3.3)	(0.3)
Tax paid	(13.3)	(6.4)
Replacement capital expenditure	(12.2)	(4.7)
Other	0.5	(0.2)
Free cash flow	49.5	14.9
Expansion capital expenditure	(25.0)	(17.1)
Disposal of subsidiaries	3.1	85.3
Other	(0.6)	1.8
Net cash inflow in period	27.0	84.9

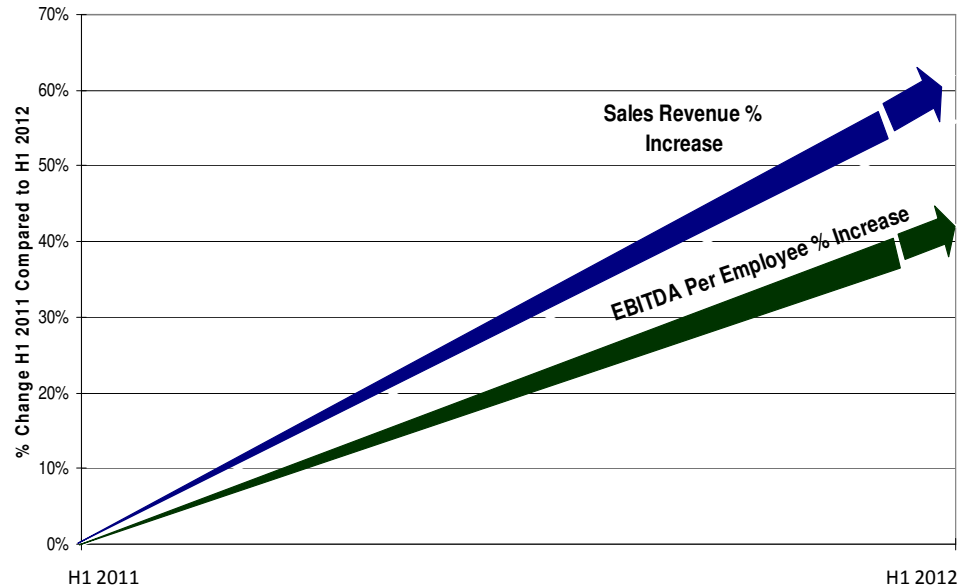
Well Integration



Positioning Today to Meet Tomorrow's Demand

- Based on current projections, rig counts worldwide are expected to increase in 2013 creating additional market demand
- To meet tomorrow's demand, Hunting continues to strategically increase capacity through geographic expansion and increasing the existing capacity
 - With the integration of Titan into Hunting's footprint, the distribution of Titan products are entering established channels in the United States and Internationally
 - Throughput of the existing manufacturing footprint continues to be leveraged by...
 - Implementation of LEAN and the reduction of cycle times based on anticipated load creating a balanced flow
 - Increased automation where beneficial creating "lights out" capacity
 - Reduction of cycle times
 - » Faster front-end processes to feed raw material to the machining process quicker
 - » Matching the most appropriate machining technology to the process based on load
 - » Examining the production cell and workflow to reduce the travel distance within the process
 - » Examining the post-machining processes to remove bottlenecks to the production flow

Operational Leverage and Financial Return

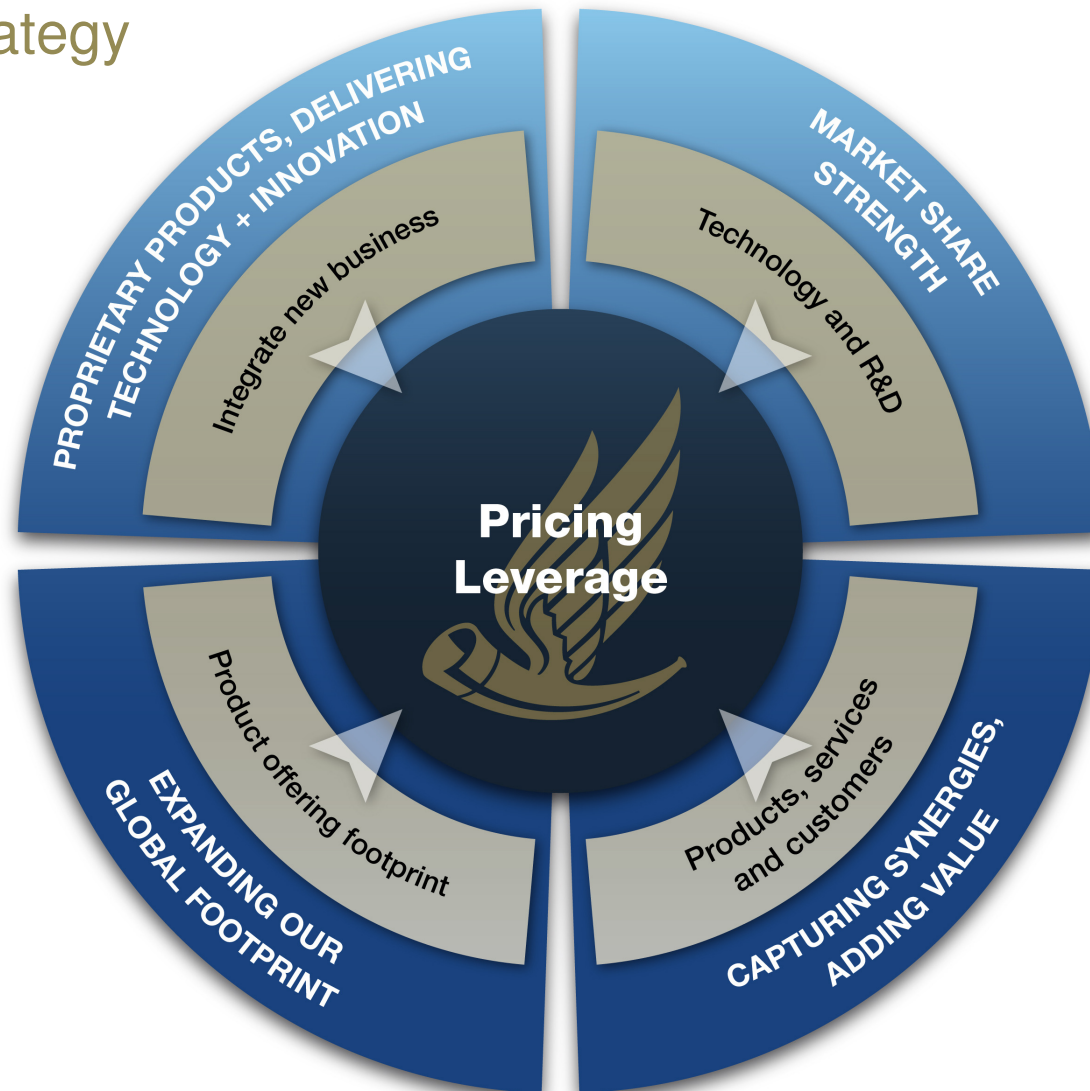


Comparing H1 2011 to H1 2012

- Sales Revenue increased 62% while manufacturing square footage increased 45%
- During the same period, the EBITDA contribution per employee increased 41%

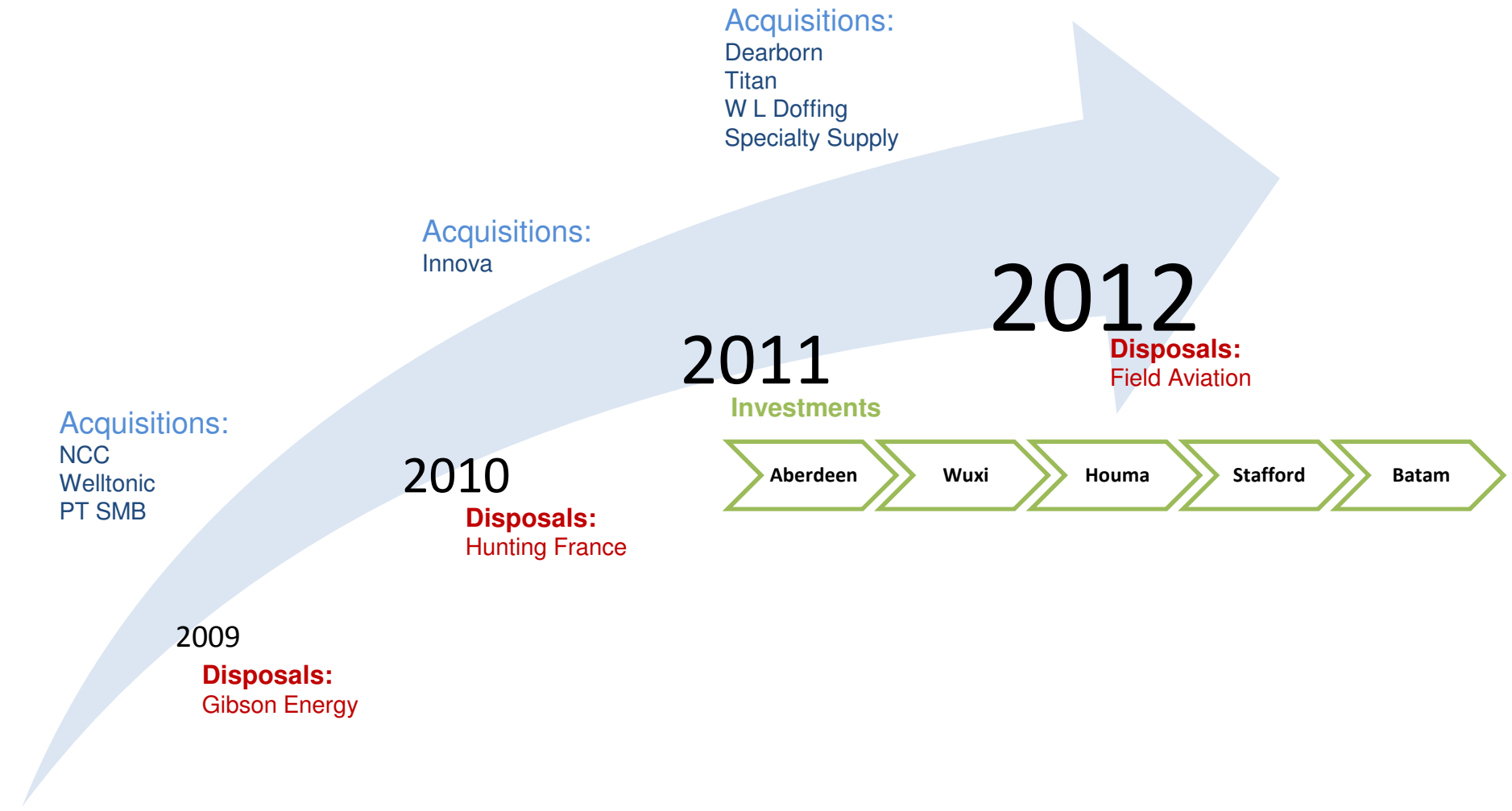
- Our Customer's product needs change rapidly based on market demand
 - Our challenge is to satisfy our Customer's needs with on-time deliveries, exceptional quality while increasing the financial return
- During the first half of 2012, each employee's financial contribution was increased by a combination of factors
 - Leveraging Hunting's Existing Footprint
 - Utilising Spare Geographic Capacity
 - Creating Capacity
 - More efficient workflow of the production cell and automation
 - Flexible Production
 - Flex with the flow agility, when needed, around the clock productions switches on
 - When needed, established strategic alliances within the supply chain

Hunting Strategy



Corporate Activity

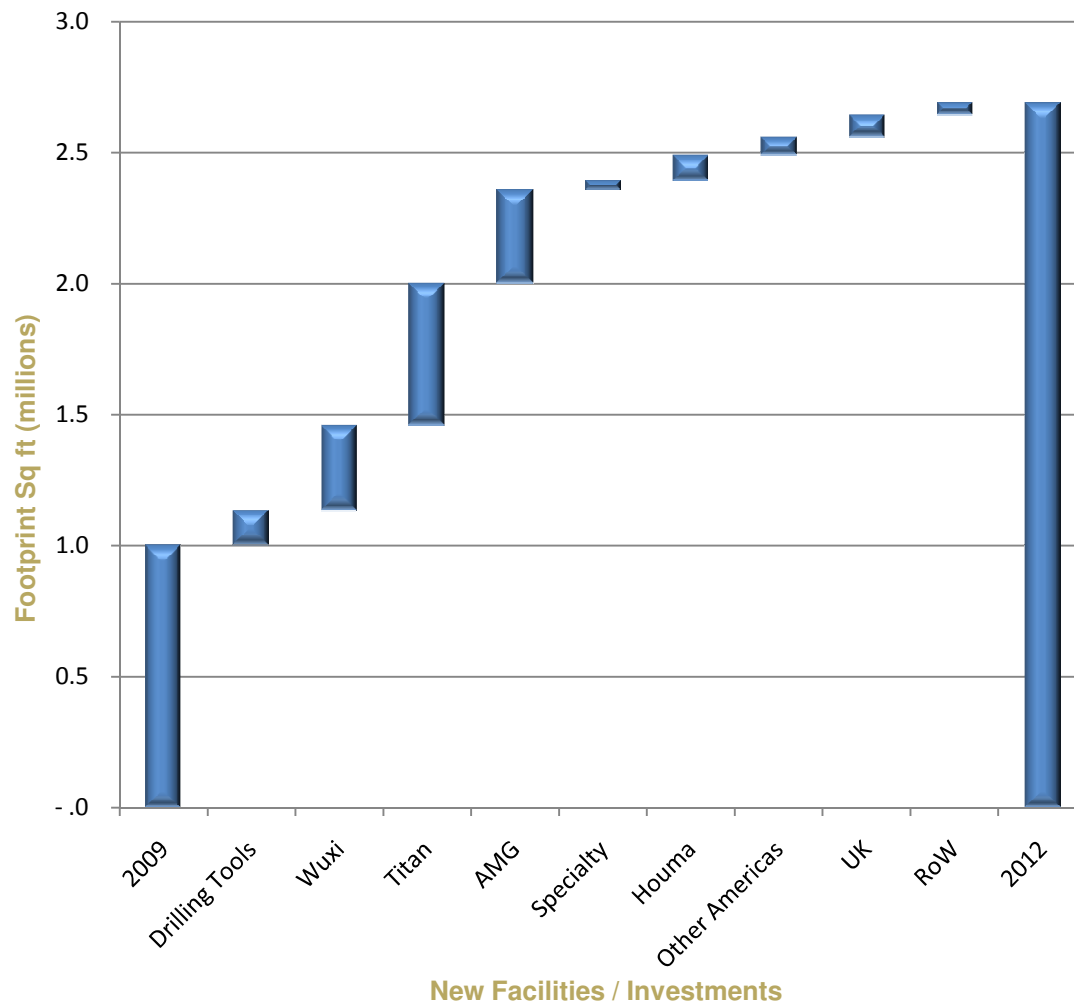
Acquisitions: £710m / Investments: £120m / Disposals: £620m



Global Footprint



Hunting's Facility Breakdown



- 2.7 million square feet
- 62 facilities in 9 countries
- Producing over 8.8 million parts to date

Acquisition Integration and Global Expansion

North America

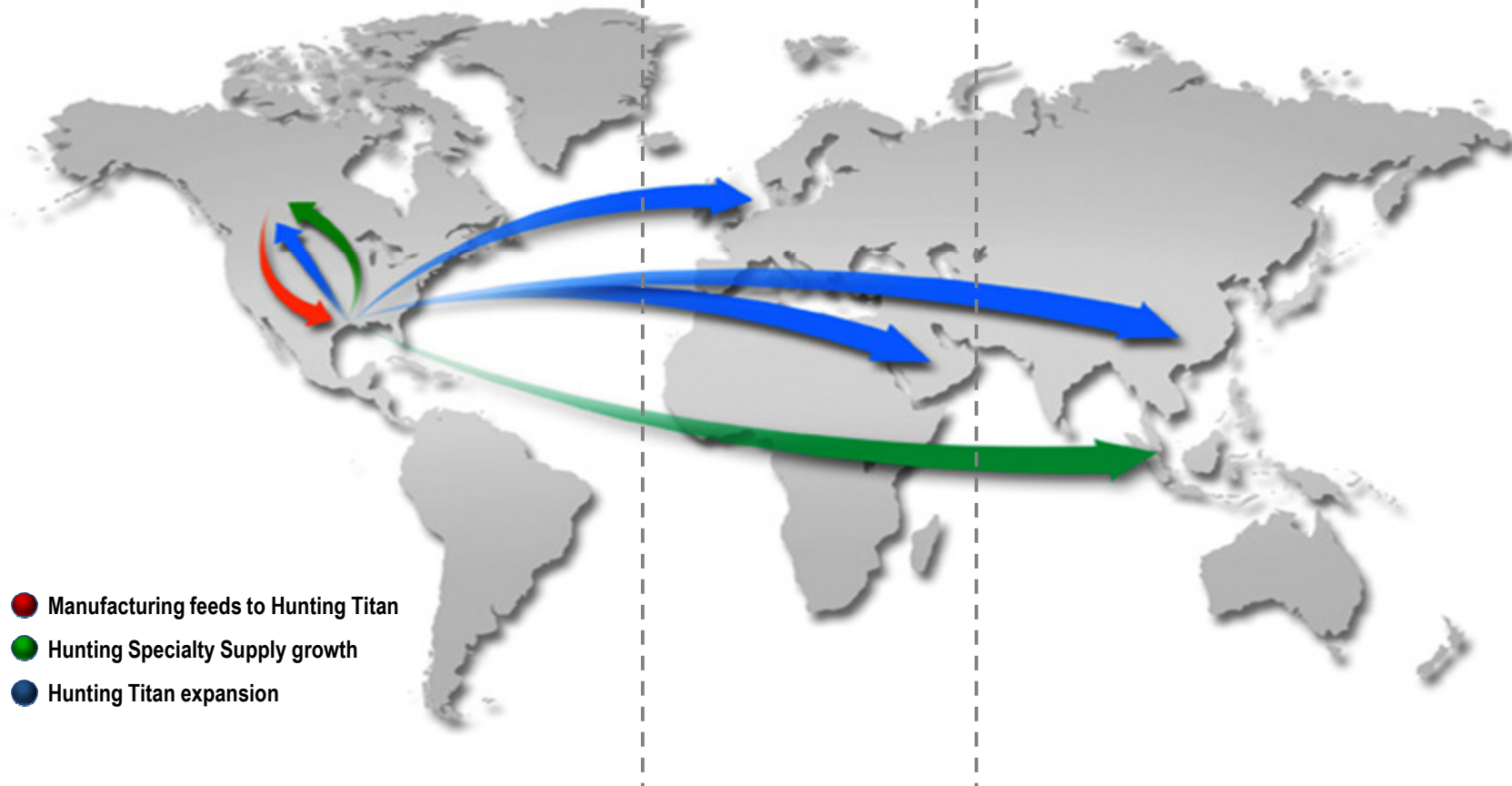
Loyal and Stable Customer Base
Industry testing grounds for new technology

UK and Middle East

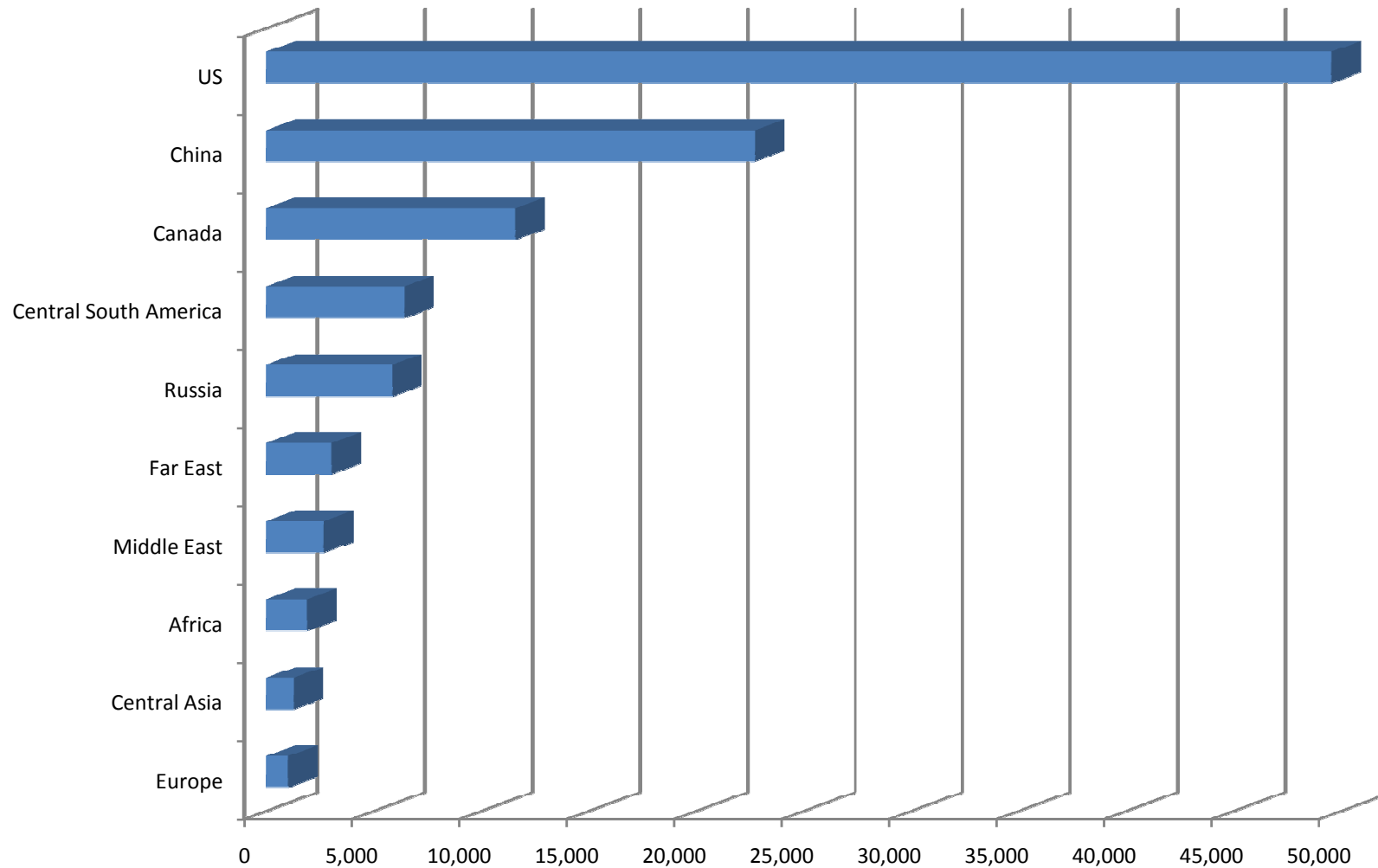
Demand for new technology
and products from proven
success in North America

Asia

Population and industrial growth fuel the demand for energy
Hunting's expansion in the market to apply proven
products to the emerging market



Projected Wells Drilled Globally 2012



Source: Spears and Associates

Onshore vs. Offshore Revenue Opportunities



- Drilling Costs: US\$6 million
- Equipment Supplied: 21%
- Realised Revenue: US\$1.26 million



- Drilling Costs: US\$100 million
- Equipment Supplied: 23%
- Realised Revenue: US\$23 million

Business Platforms



Well Construction



Well Completion

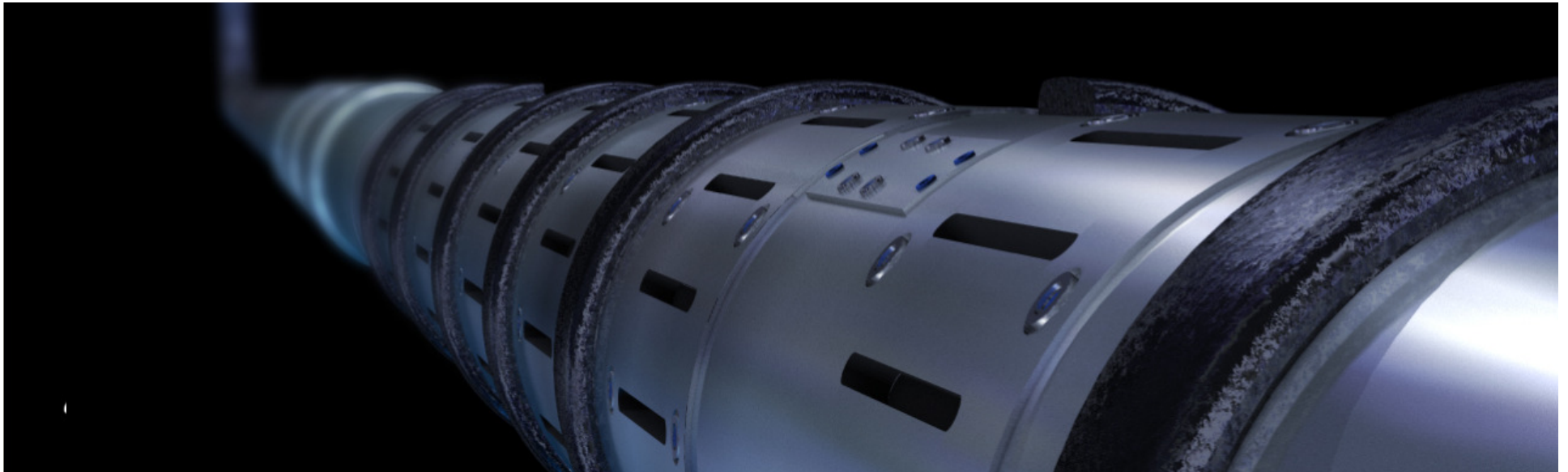


Well Intervention

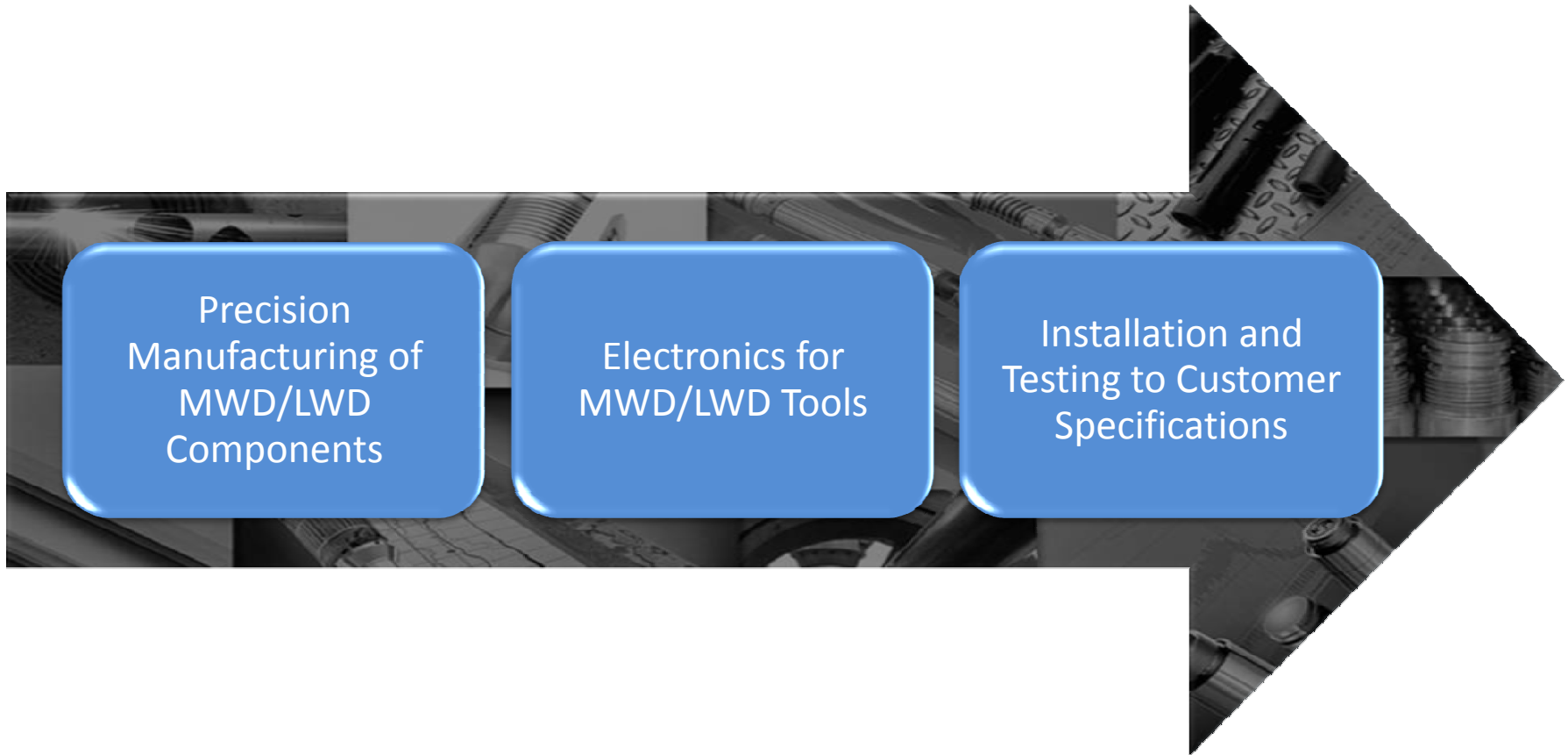


Well Construction

- Continued strengthening of Connections business
- Continued growth of global offshore activity
- High manufacturing demand
- Steady backlog for precision manufacturing and electronics associated with MWD and LWD

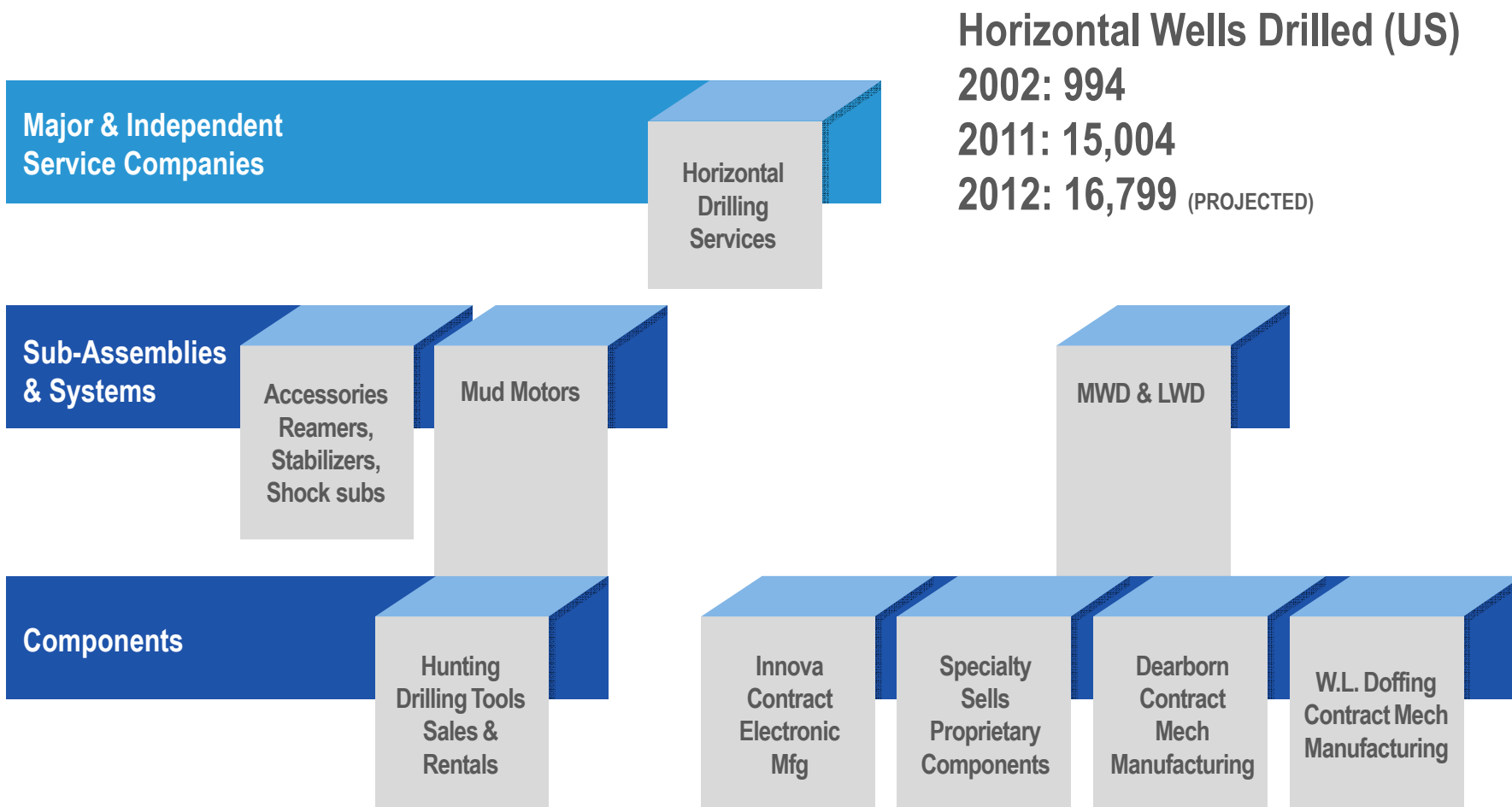


Advanced Manufacturing Group



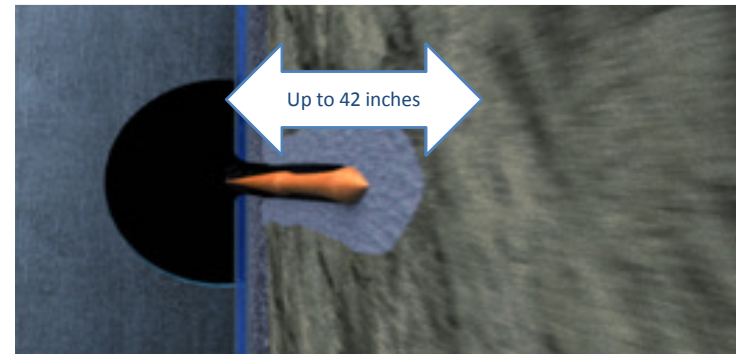
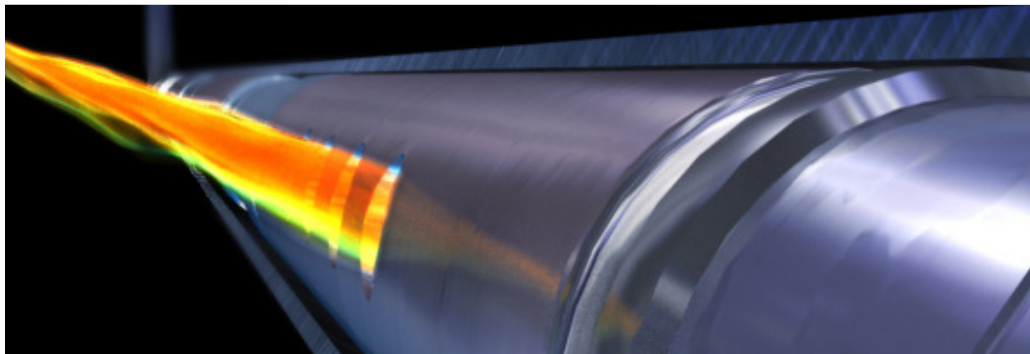


Horizontal Drilling and MWD Market Influences



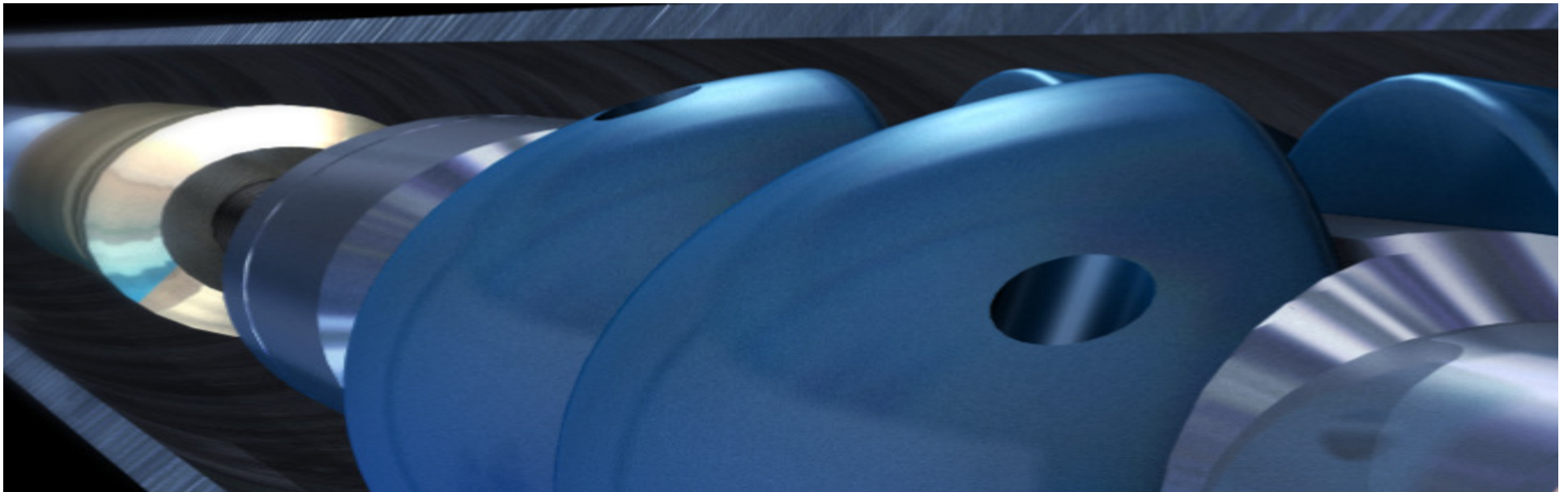
Well Completion

- Integration of the acquisitions
- Continued product expansion globally
- Manufacturing demand high
- Robust work for GOM and global offshore
- Continued technology development
- Excellent demand for perforating systems and energetics



Well Intervention

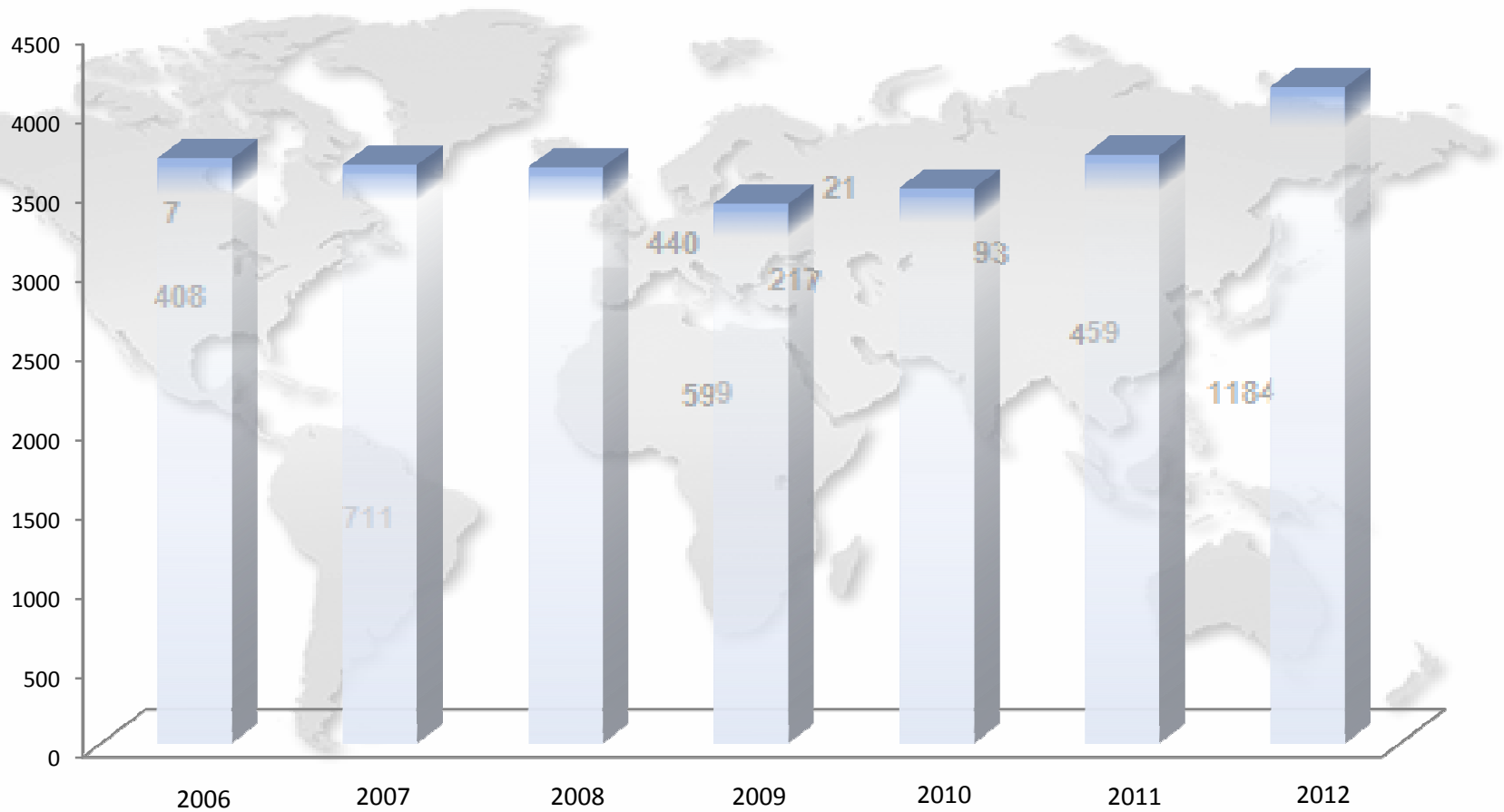
- Increase in drilling = Increase in work overs
 - **Wells are typically re-entered multiple times over their lifespan**
- Newer drilling technologies require enhanced Well Intervention means
- Growth of our Thru Tubing into Canada and US and Asia Pacific markets
- Advanced technology where and when the Customer needs it, globally



Fundamental Business Drivers



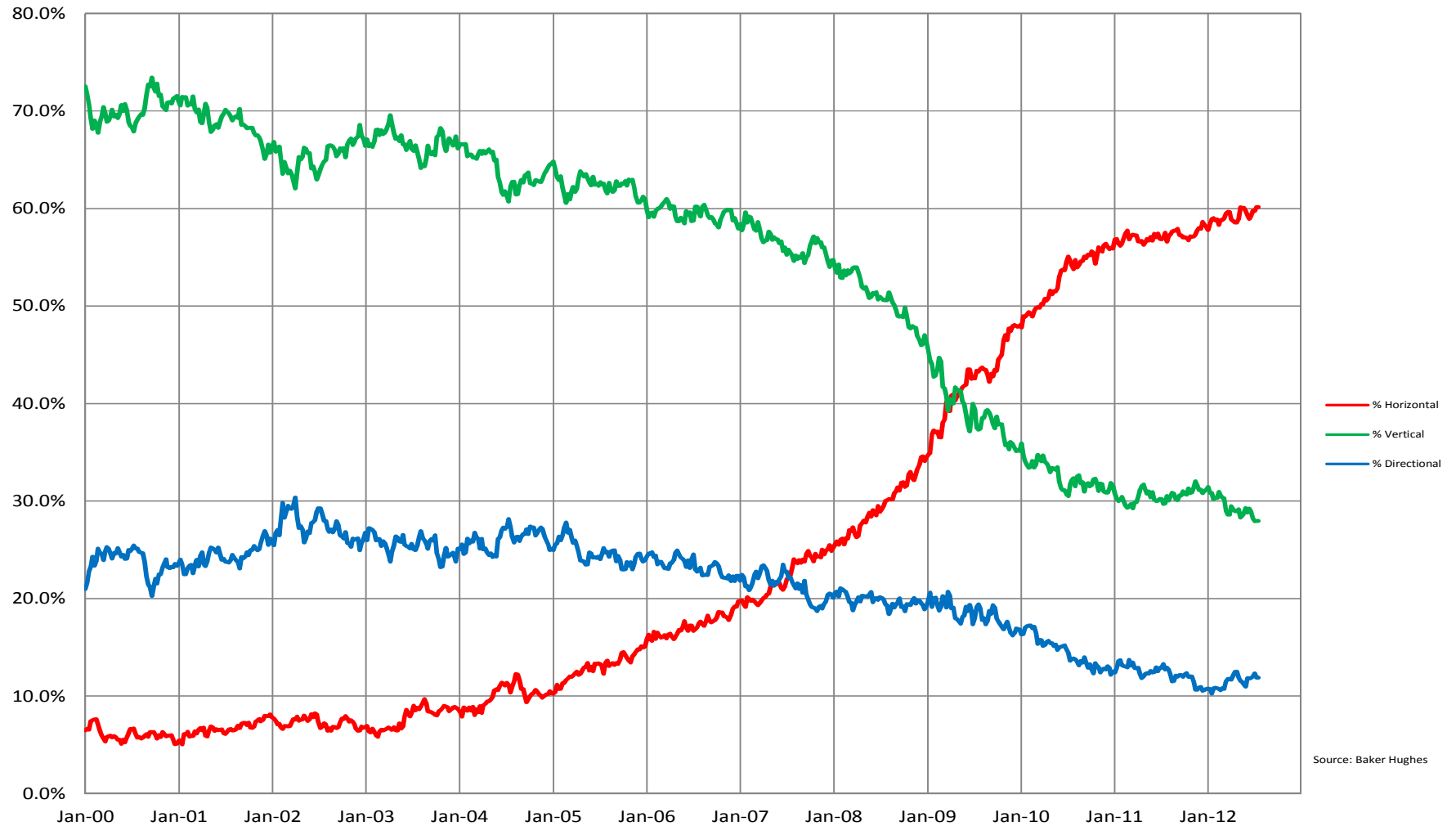
Steady Global Offshore Wells Drilled



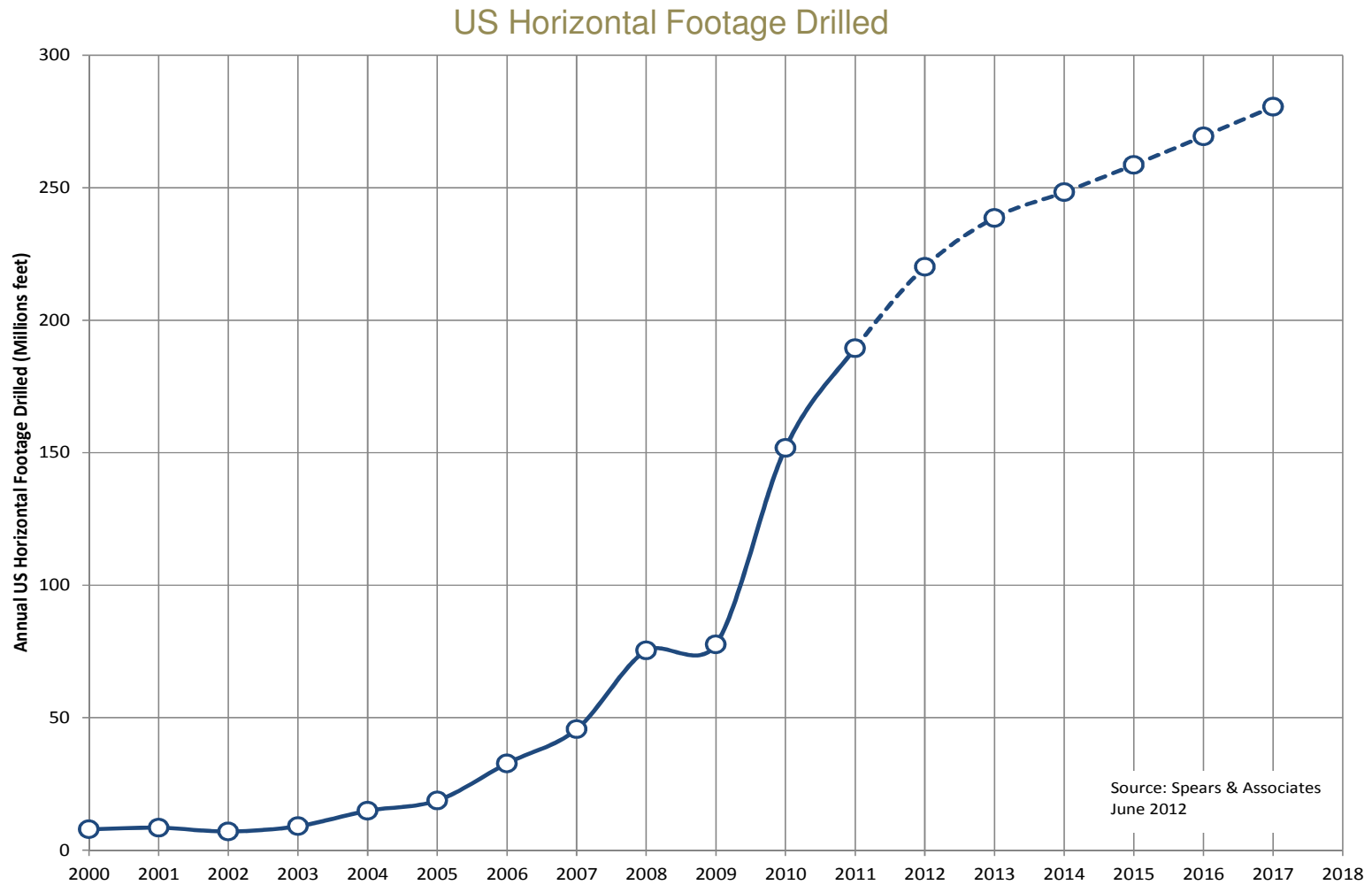
Source: Spears and Associates 2012 projected

Horizontal Rig Count

Percentage of Rigs Drilling Vertical, Directional, & Horizontal Wells



US Horizontal Footage Drilled – millions feet



Looking Forward

- Continued Integration of Products and Services into Hunting's Global Footprint
- Expansion of Global Footprint
- Product Development
- Cost Enhancement Opportunities

