Lupus Capital plc

Interim Results Presentation

Period Ended 30 June 2010

Agenda

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• Overview	Louis Eperjesi
• H1 2010 Financial Review	James Brotherton
• H1 2010 Operating Review	Louis Eperjesi
• Outlook	Louis Eperjesi

Overview

H1 Overview

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- Encouraging set of results – demonstrating our strong market positions
- Markets more stable but still highly competitive
- Trading conditions in US and UK new build markets remained difficult; RMI showed more resilience
- Tight control over the cost base and working capital levels
- Improvements in gross and net margins
- Early debt repayments made in the period
- Performance driven by strong brands, niche products, close customer relationships & relative financial strength

H1 2010 Financial Review

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H1 2010 Financial Highlights

		H1 ‘10 vs H1 ‘09
Sales - £133.2 million	↑	14 per cent.
Underlying Operating Profit - £17.3 million	↑	43 per cent.
Underlying Earnings Per Share - 6.79p	↑	68 per cent.
Net Debt - £113.4 million	↓	6 per cent.

- Gross and net margin improvement
- Underlying Operating Profit drop-through of 32 per cent.
- £3.0 million early debt repayment

H1 2009 to 2010 EBITA Bridge

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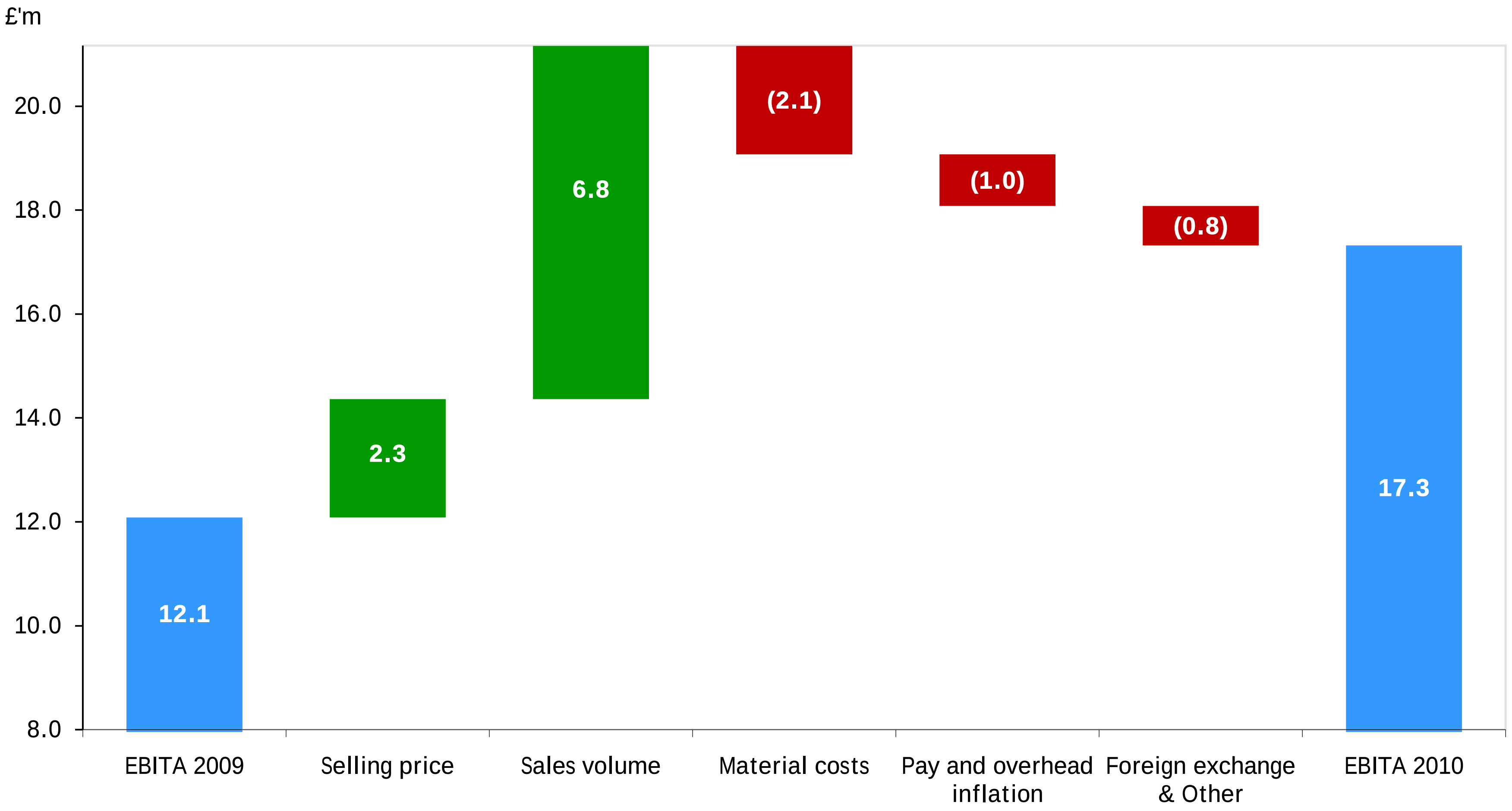

Debt Facilities

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	H1 2010 £'m	H1 2009 £'m	FY 2009 £'m
Net Debt	£113.4m	£120.1m	£111.0m
Net Debt: EBITDA*	3.14 x	3.45 x	3.59 x

- Key covenant ratio for the Group close to 3.0x at June 2010
- Headroom of between 46 and 77 % on banking covenants at June 2010
- Group’s cost of funds fixed at between 1.85 and 2.0425 % until July 2012
- Further permanent debt repayments to be made in H2 2010

*Calculated on the same basis as banking covenants.

H1 2009 to H1 2010 Movement in net debt

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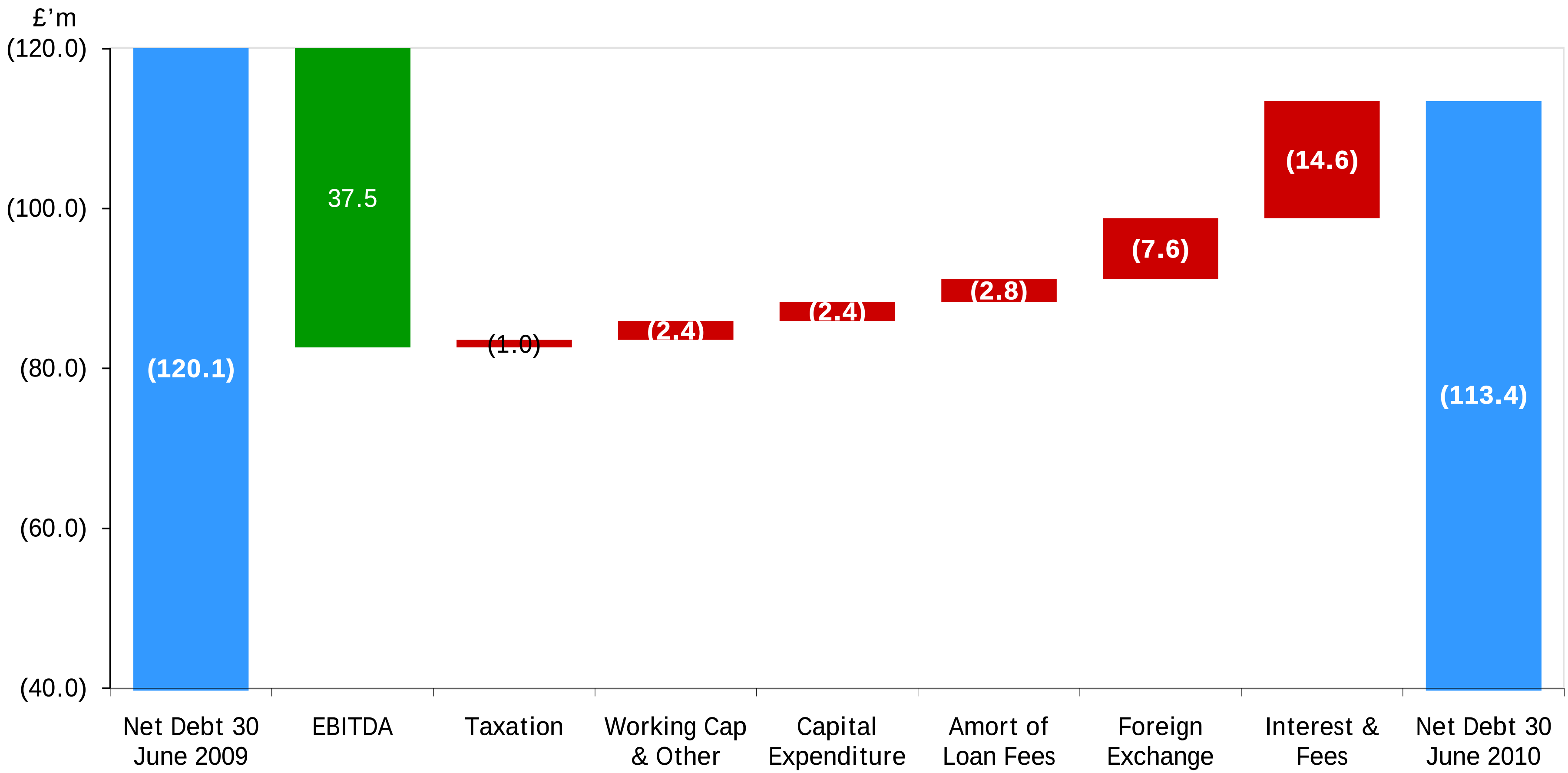
Net Debt Bridge 2009 to 2010



Capital Expenditure

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	H1 2010 £'m	H1 2009 £'m	FY 2009 £'m
Net Capex	1.3	1.3	2.1
Depreciation	3.4	3.5	6.7
Capex/ Depreciation	0.39 x	0.35 x	0.32 x

- Historically a low capex business
- Capex expected to increase in future years although unlikely to reach same levels as Depreciation

Cash Conversion

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	H1 2010 £'000	H1 2009 £'000	LTM £'000	FY 2009 £'000
Cash inflow from operations	8,700	11,022	34,129	36,451
Underlying Operating Profit	17,322	12,091	30,829	25,598
Cash Conversion	50.2%	91.2%	110.7%	142.4%

- Operating cash conversion decreased, reflecting the investment in working capital in the first six months of the year
- LTM cash conversion remained strong at 110.7% of operating profit
- Balance sheet will unwind over the remainder of the year

Balance Sheet

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	H1 2010 Days	H1 2009 Days	FY 2009 Days
Inventory Days	73.2	75.7	73.7
Trade Debtor Days	47.8	47.5	42.5
Trade Creditor Days	(57.6)	(51.0)	(54.4)
Working Capital Days	63.4	72.2	61.8
Trade Working Capital	£44.2 m	£42.8 m	£32.9 m
Trade Working Capital: Sales	17.1%	17.4%	13.6%

- Continued focus on working capital management – peaks at the half year
- Investment in inventory only permitted where there is clear evidence of demand
- Management of receivables remains a high priority
- Credit insurers returning to the market but still limited availability

H1 2010 Operating Review

H1 2010 Revenues

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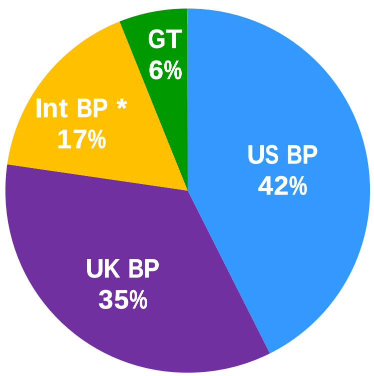
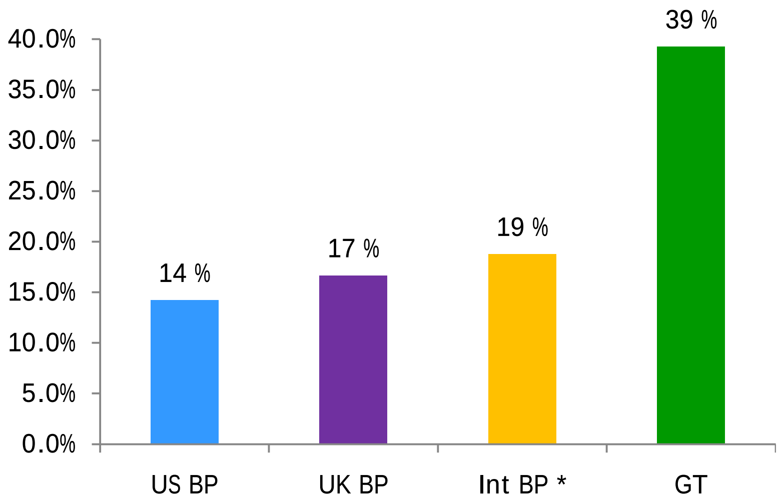
H1 2010 Sales by Sector

Total Sales £133.2 million *(2009:£117.0m)*



% Change in H1 2010 Sales



Note: %age change on a constant currency basis versus H1 2009
* International BP is stated on a like for like basis – excluding Ningbo

- Building Products Revenues increased by 13% compared with H1 2009 – 16% on a constant currency basis excluding Ningbo
- Strong performance across all Building Products sectors
- Very strong performance from Gall Thomson in the period

H1 2010 Operating Profit

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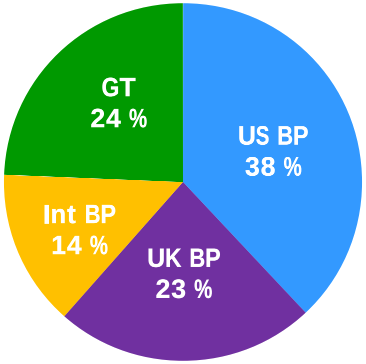
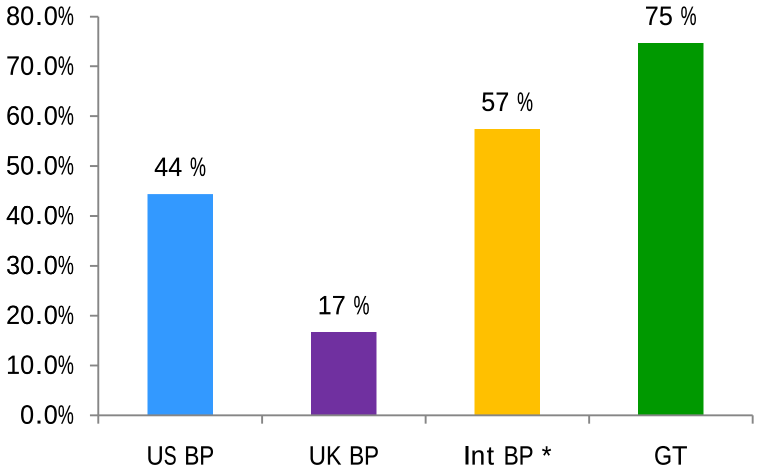
H1 2010 Operating Profit by Sector

Total Operating Profit - £17.3 million *(2009: £12.1 m)*



% Change in H1 2010 Operating Profit



Note: %age change on a constant currency basis versus H1 2009
* International BP is stated on a like for like basis – excluding Ningbo

- Improvements in operating profit across all sectors
- US Building Products had an exceptionally strong first half
- Solid growth in the UK despite a flat market – underpinned by new sales strategy
- Gall Thomson margin improved significantly due to increased volumes of MBC sales

US Building Products – H1 2010 Performance

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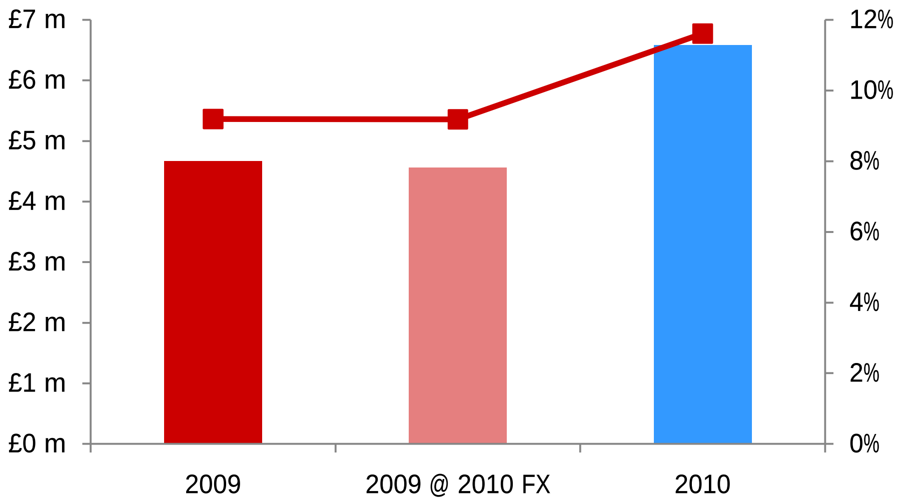
Sales

AMESBURY GROUP®

- H1 sales grew by 14% in constant currency terms to £56.7m
- Net margins were substantially improved, increasing by 2.4 points to 11.6%
- Operating profit increased by 44% to £6.6m in constant currency terms

Operating Profit and Margins



H1 Highlights

- Continued ramp up of manufacturing at the Group's Mexican facility – now producing c. 45,000 balances per day
- Expansion of the National Accounts Program, to leverage our product offering within the North American customer base
- Restructured approach to Amesbury marketing

UK Building Products - H1 2010 Performance

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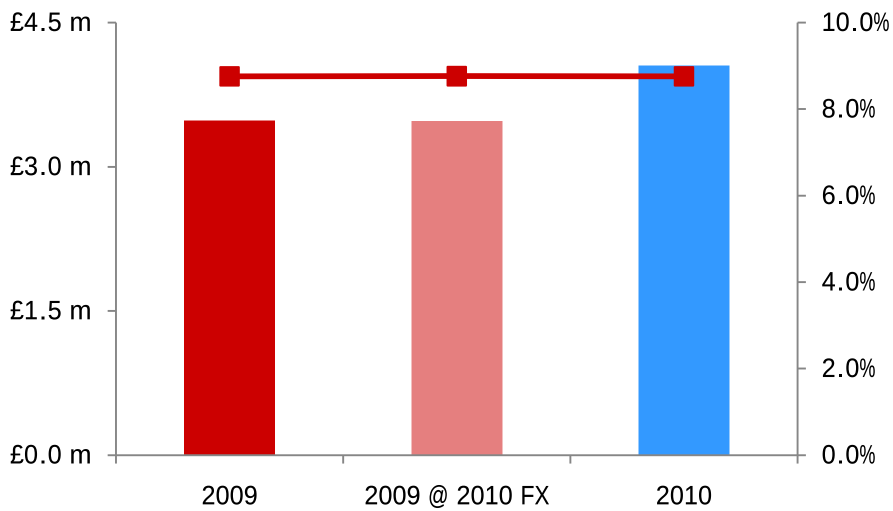
Sales

Operating Profit and Margin



grouphomesafe

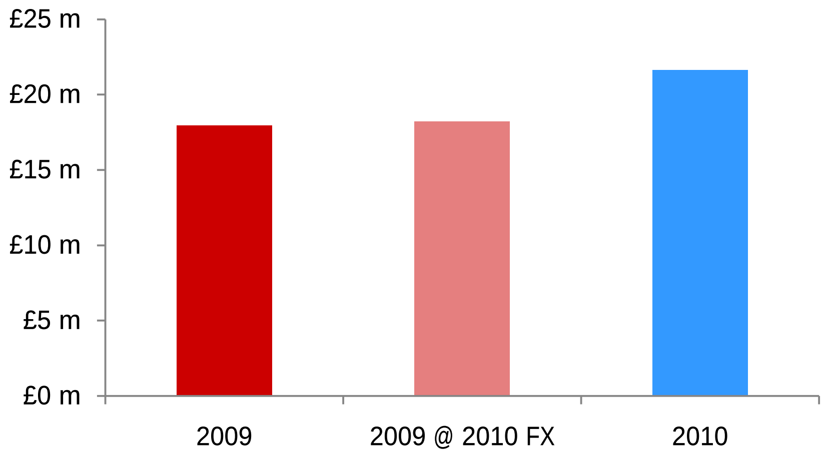
- UK Building Products sales grew by 17% in H1 to £46.3m.
- Net margins were flat at 8.8% despite significant increases in input costs
- Operating profit increased by 17% to £4.1m in H1 reflecting close focus on cost control

H1 Highlights

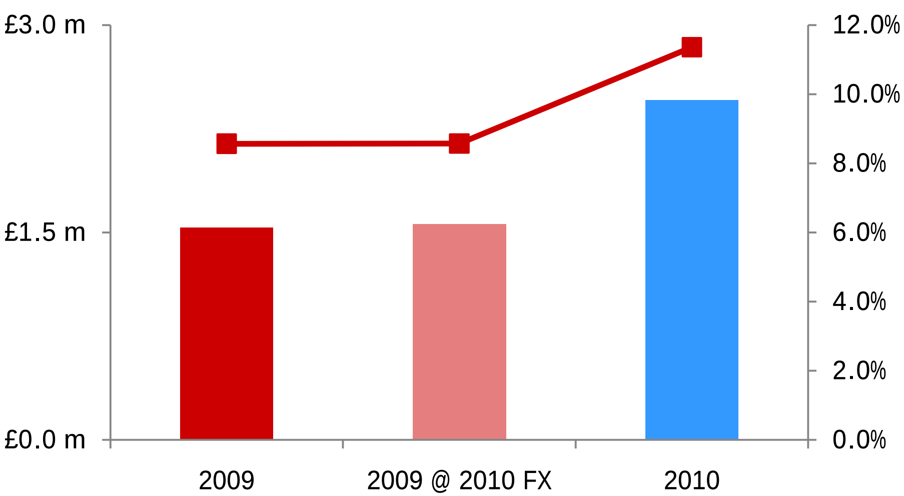
- Grouphomesafe established as the umbrella brand for the UK business
- UK salesforce sell full grouphomesafe product range
- Benefits of unified approach already visible ahead of schedule
- Ventrolla Ireland launched
- Composite Doors Division fully integrated within grouphomesafe and restructured
- Reviewing portfolio to ensure Part L Building Regulations compliance

International BP - H1 2010 Performance

Sales



Operating Profit and Margin



International BP is stated on a like for like basis – excluding Ningbo

- International sales grew by 19% in H1 to £21.6m
- Net margins increased from 8.6% to 11.4%
- Operating profit increased by 57% to £2.5m

H1 Highlights

- Closure of Chinese manufacturing gives us greater flexibility in sourcing high quality low cost product
- Focus on cross selling opportunities through International business – Australasia continues to lead the way
- Bolstered our presence in South America with expansion of Brazilian sales office
- Eastern Europe continues to perform strongly; Southern European markets remain depressed

Oil and Gas Services - H1 2010 Performance

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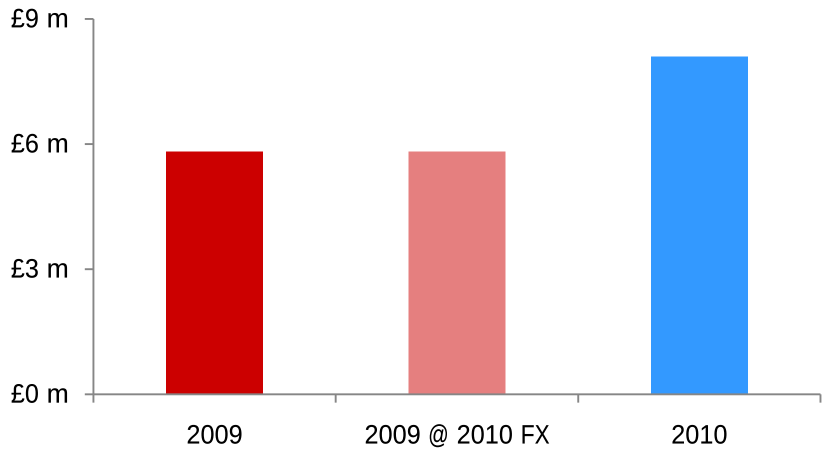
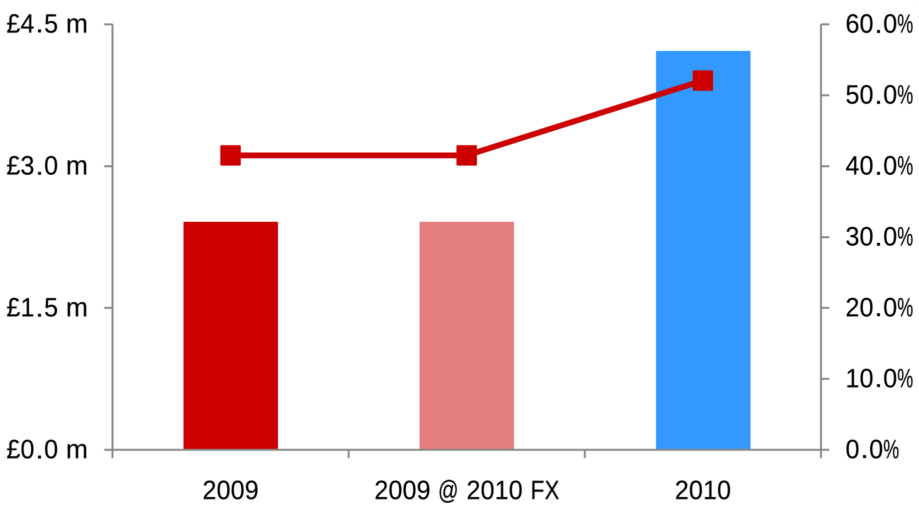
Sales



Operating Profit and Margins



GALL THOMSON
ANTI-POLLUTION AND SAFETY
MARINE BREAKAWAY COUPLINGS
AND CAMLOCK COUPLINGS

- Sales increased by 39% to £8.1 million
- Continued strong operating profit margins

H1 Highlights

- Increased sales of our most profitable product – Marine Breakaway Couplings – drove net margins higher in the period
- Order book and enquiry levels remain healthy
- Timing of sales dependent on rigs and platforms coming on stream

Geographic Footprint

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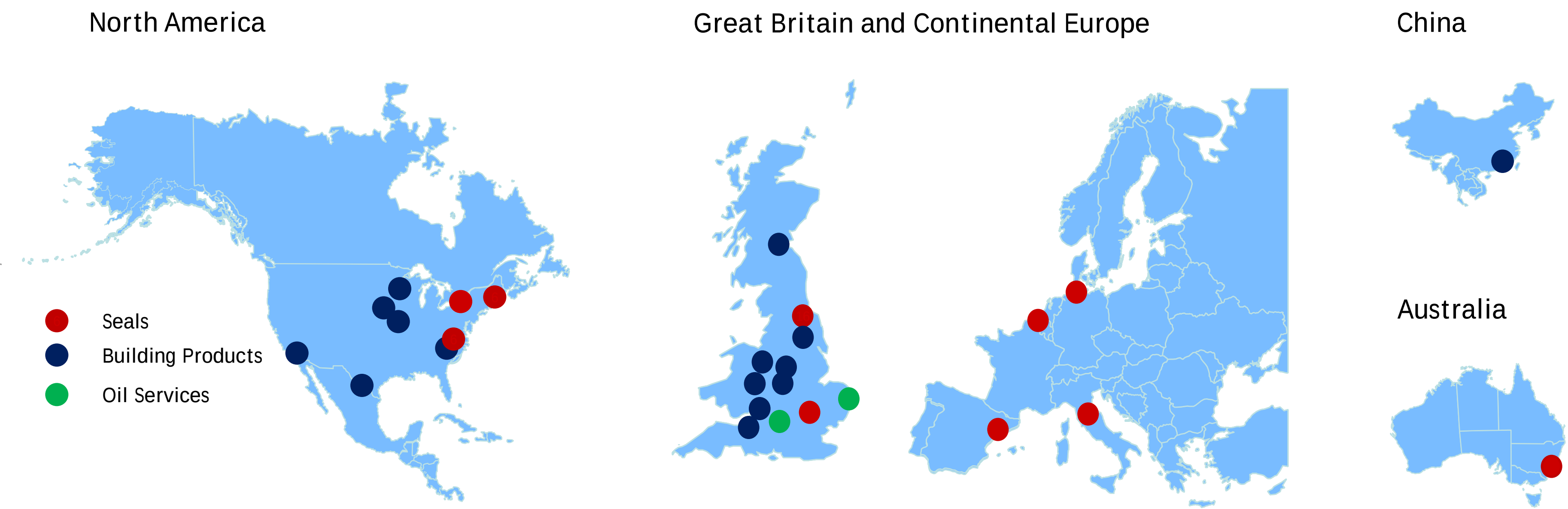
Lupus Capital plc Geographical Footprint



- Site Rationalisation Programme
  - Conversion of Chinese manufacturing to a sourcing operation
  - Mexican plant now operating at increased production levels
  - Tipton site now exited
- Management and Board Visits
  - CEO has visited all manufacturing sites worldwide
  - Remaining significant Distribution and Sourcing sites will be visited in H2 2010

H1 2010 Executive Priorities

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- ✓ Rebranding and refocusing of UK Operations - grouphomesafe
- ✓ Investment in technology – CRM system, business intelligence system
- ✓ Website Redesign
- ✓ Higher priority given to Group marketing
- ✓ Composite Doors – Restructured ahead of expected downturn in Social Housing
- ✓ Headcount increases where merited by business activity levels
- ✓ Cost recoveries
- ✓ Renewed emphasis on New Product Development
- ✓ Restructured approach to Group sourcing – Closure of Chinese Manufacturing

Website Redesign

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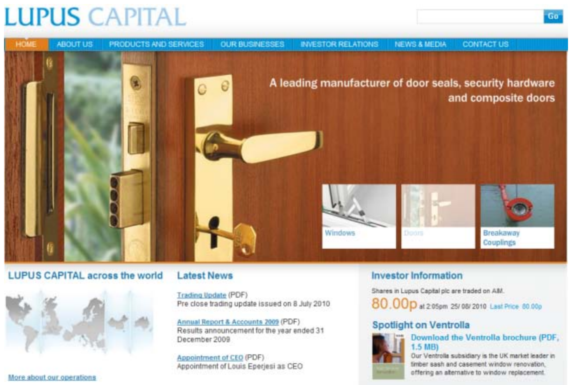

Group

- Website upgrade programme launched in 2010
- New plc website – designed to be a window on the Group
- Gall Thomson website created
- Grouphomesafe website created to tie in with new branding and approach to market
- By year end all Group websites will have been updated

Gall Thomson

grouphomesafe

ERA Products

Outlook

2010 Outlook

- Building Products
  - Markets much more stable in H1 2010 than in 2009 but still highly competitive
  - H2 2010 further progress expected but will not see a repeat of the marked period on period increases
- Oil Services
  - Steady inflow of orders at Gall Thomson in H1 2010
  - MBC orders depend on the timing of platforms and rigs coming on-stream
- Input costs
  - General upward pressure on input costs expected to continue
  - Will seek to recover cost increases where possible without sacrificing market position
- Management focus in H2 2010
  - Continue to gain market share where possible
  - Protect margins
  - Tight control over costs
  - Continued cash generation to reduce net indebtedness
- Cautiously optimistic about prospects for the full year
- Expect to report results for the year ahead of current expectations

Longer Term Outlook

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- End-markets not expected to provide significant underlying growth for the foreseeable future
- Focus will remain on self help measures
  - Build on strong financial position and brands in current markets
  - Cross selling opportunities to existing customer base
  - Targeting increased share of customer spend
  - Margin enhancement
  - Continued investment in new product development, technology and marketing
  - Exploit competitor weakness
- Significant opportunities in the US
  - Higher margin businesses
  - Compelling US demographics over the medium to long term
  - Fragmented markets
- UK business much better positioned following successful implementation of grouphomesafe initiative
- New Geographies (Far East, South America and Eastern Europe) offer possible longer term potential
- Well positioned to take advantage of any long term increases in activity levels