

## Hamon & Cie

AGM 27 April 2010

# Hamon Group

Cooling Systems

Air Pollution Control

Process Heat Exchangers

Chimneys



Integrated  
solutions  
for a clean  
environment

- Sound backlog representing close to one year of activities;
- Steady revenues at EUR 379.8 million; higher than last year;
- EBIT margin at 10.2% of revenues, higher than Group target of 10%;
- Net positive cash at EUR 8.2 million thanks to tight working capital management and ample credit lines
- Dividend increased 5% to 0,60 EUR
- The general economic uncertainties have had so far a limited impact on our activities and performance.

In EUR million	FY 2009	FY 2008
New Bookings	301,5	469,5
Backlog	339,2	391,0

In EUR million	FY 2009	FY 2008
Revenue	379,8	366,7
EBITDA	42,8	46,6
EBIT	38,8	43,7
EBIT margin	10,2%	11,9%
Net result (group's share)	17,4	18,5

In EUR million	FY 2009	FY 2008
Book Equity	65,8	49,4
Net financial debt (NFD)	-8,2	10,8
Net financial debt / Equity	-12%	22%
Net financial debt / EBITDA	-19%	23%

## Key Events of the year

### July

- Hamon takes control of DG Environmental and TS Filtration, 2 Chinese companies active in Air Pollution Control.

### August

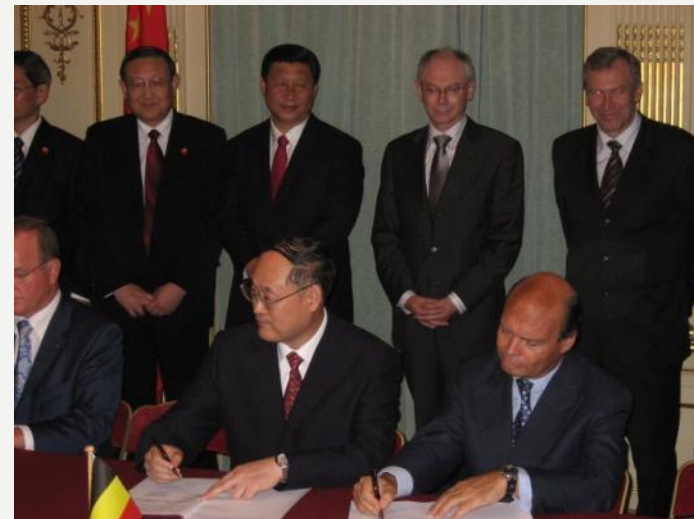
- Sopal International, main shareholder of the Hamon Group exercises its option to purchase 100000 Hamon shares from Sogepa



## Key Events of the year

### October

- Hamon signs a cooperation agreement with a major Chinese design institutes, SNPDR. This agreement covers the design of very large natural draft cooling towers for NPPs. This agreement is signed in the presence of the Chinese Vice-President, Mr. Xi Jinping during his visit to Brussels.



## Key Events of the year

### November

- HRC (US) signs a licensing agreement with J-Power EnTech (Japan) for the commercialization of the ReACT technology in North America. This technology allows the elimination of several pollutants (Sox, Nox, mercury and particles).
- Inauguration of Hamon Shriram Cottrell new offices in Mumbai (India).



## Key Events of the year

### December

- Hamon signed a senior credit agreement with a bank syndicate in connection with the refinancing of its debt
- Hamon opens a representative office in Beijing for the promotion of its products in the Chinese market, particularly in the fields of air cooled condensers.



## Key Events of the year

### Throughout the year

- Launch of wet cooling activities in North America and dry cooling in several regions around the world
- The BU EMEA/Brazil continues its development in India, Brazil, Central Europe and China.



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## Key Bookings/Ongoing Projects

- Several rehabilitation projects of large natural draft cooling towers in France (EDF), Switzerland (KKL), Germany (RWE, Vattenfall), Russia (LAES)



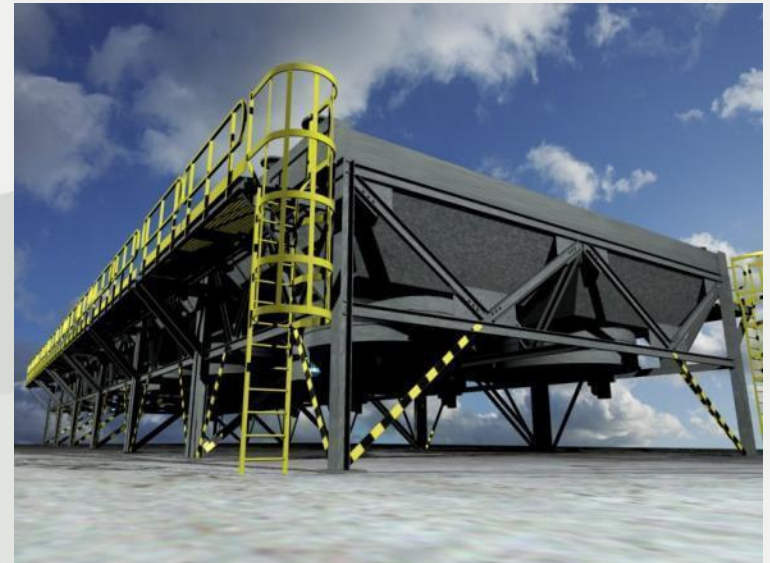
## Key Bookings/Ongoing Projects

- Construction of a plume abated induced draft CT in UK (Staythorpe)
- Construction of several induced draft CT in Germany, Thailand, Abu Dhabi, Northern Africa, Belgium, India, China
- Award of the plume abated fan assisted natural draft of Moorburg (Hamburg) - Germany



## Key bookings/Ongoing Projects

- Key bookings
  - GAZPROM Nordstream Project  
Portovaya Gas treatment and  
Vyborg Compressor Station
  - EXXON Russia Sakhalin Project
  - SHELL Nederland  
Hydrodesulfurization Unit



# Hamon Process Heat Exchangers

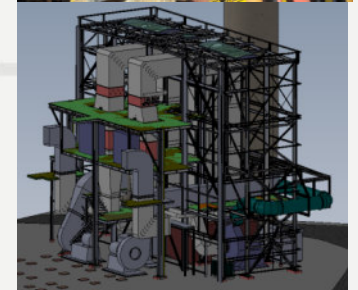
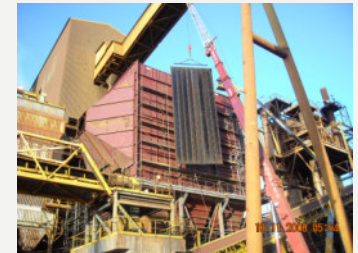
## Key Bookings/Ongoing Projects - PHE

- Ongoing Projects
  - HELLENIC-ATHENS Refinery  
Delivered in 2009
  - ENEX Turkmenistan Compressor Stations  
Delivered in 2009



## Some projects - APC Emea & Brazil

- Eramet SLN 10 (New Caledonia, ESP, nickel) complete
- Remival (France, FGT, waste incinerator) complete
- ExxonMobil (France, ESP, refinery FCCU) complete
- Lafarge (South-Africa, Fabric Filter, cement) complete
- Heidelberg (Tanzania, Fabric Filter, cement) complete



## Some bookings - APC Emea & Brazil

- M.A.N. Diesel in Garabito (Costa Rica, 2 ESPs, diesel engines)
- Mulhouse (France, DeNOx, waste incinerator)
- Arzew (Algeria, urea scrubber, fertilizer)
- Eramet SLN 10 (New Caledonia, ESP, nickel)
- Petrobras Rnest (Brazil, ESPs, refinery boilers)
- Shriram EPC (India, ESPs, power/biomass)
- Er Mey (China, Fabric Filters, cement) and
- A successful year for the selling of bags for Fabric Filters from our Chinese operations



# Hamon Air Pollution Control

## Key Bookings/Ongoing Projects – APC NAFTA

- Fabric filter projects such as Pacificorp and Reliant Energy.
- four major ESP rebuilds and a smaller ESP for Canada.



## Key Bookings/Ongoing Projects – Chimney US

Some projects

- Scherer
- Detroit Edison
- TVA



## Key Bookings/Ongoing Projects – Chimney US

Some projects

- Public Service  
New Hampshire
- Great River Energy



## Research & Development



- Main research & developement projects in 2009:
  - Development of new thermal exchange surfaces for our cooling systems.
  - Advanced development of fan-assisted hybrid natural draft cooling towers (to remove the plume).
  - Optimization program for ESPs for thermal power plants of high capacity.
  - Optimization of design and specification of Heat Transfer Fluid Solar Steam Generating System for use on solar thermal power plants.
  - Adaptation of ReACT™ multi-pollutant control technology licensed from J-Power Entech to the US market.
  - Development of advanced fin tube designs marketed under the CTEC™ brand as air-cooled steam condensers.

## Global Performance Review

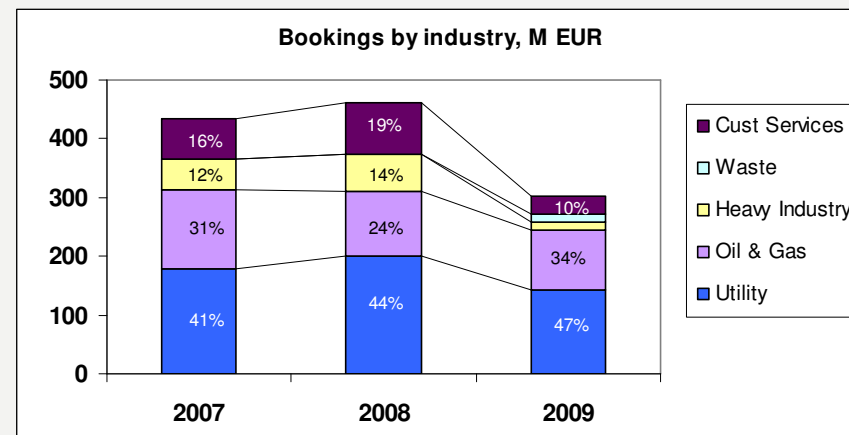


- Bookings, mostly in our US Bus, have suffered from the regulatory uncertainties in the power sector;
- strong revenues;
- healthy and sound backlog;
- significant contracts that were awarded to Hamon during 2009 under the form of letters of intent or unconfirmed options, have not been reported in bookings or backlog.
- 24 Feb 2010 : Research Cotrell Cooling Inc. was awarded a 95 million USD turnkey contract for the first new nuclear power plant to be built in the US in 30 years.

( In MEUR)	FY 2007	FY 2008	FY 2009
<b>New Orders</b>	435,0	469,5	301,5
<b>Sales</b>	432,6	366,7	379,8
<b>Backlog Sales</b>	279,7	391,0	339,2
<b>EBIT</b>	43,4	43,7	38,8
<b>EBIT %</b>	<b>10,0%</b>	<b>11,9%</b>	<b>10,2%</b>

## Bookings by industry

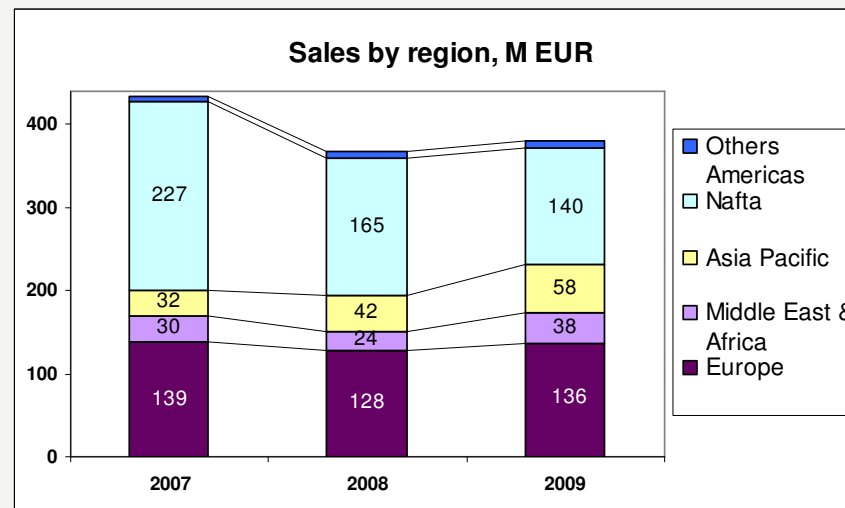
- Utilities and Oil & Gas definitely still our main focus and markets



	2007	2008	2009
Power generation	49%	54%	53%
Oil & Gas	37%	29%	37%
Other industries	14%	17%	5%
Waste incineration	0%	0%	5%
	100%	100%	100%

## Sales by Region

- Hamon is focusing on its well-mastered products and technologies
- Sales in new markets have nicely increased and compensated the temporary slow down of the NAFTA region. Europe is stable.



	2007	2008	2009
Others Americas	1%	2%	2%
Middle East & Africa	7%	7%	10%
Asia Pacific	7%	12%	15%
Nafta	52%	45%	37%
Europe	32%	35%	36%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

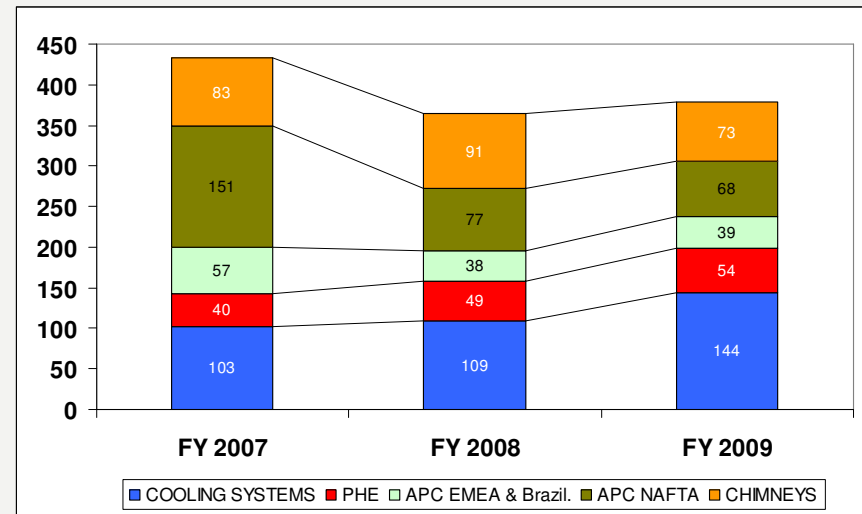
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SALES ( In MEUR)	FY 2007	FY 2008	FY 2009
COOLING SYSTEMS	102.6	109.4	143.8
PHE	39.8	48.9	54.4
APC EMEA & Brazil.	56.9	37.6	39.1
APC NAFTA	150.7	76.8	68.0
CHIMNEYS	83.1	91.5	72.8
OTHER & Elim	-0.5	2.6	1.6
<b>TOTAL</b>	<b>432.6</b>	<b>366.7</b>	<b>379.8</b>

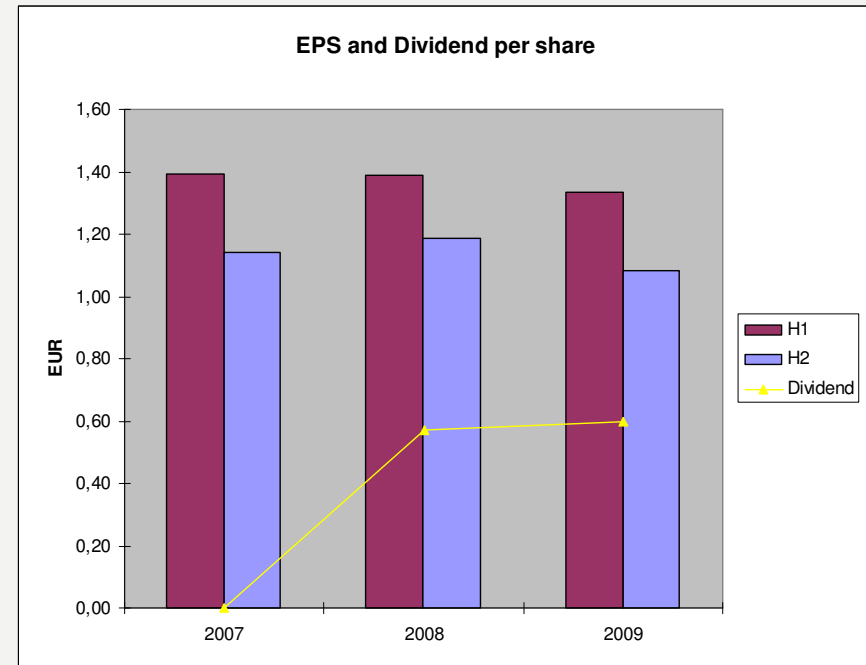


Change in sales figures	
Sales 2008	366,7
USD Impact	6,4
Scope impact (ACS, Brazil, China APC)	9,7
like for like growth	-3,0
Sales 2009	379,8

- The net financial debt turned out to a net cash position of EUR 8.2 million on the back of a very well controlled working capital which also became negative during the current year;
- New Senior Facilities Agreement signed with a pool of banks on 17 December 2009 securing ample credit lines for activities and future growth;
- CAPEX, mostly to develop our production capacities, and the acquisition of the Chinese APC companies (well justified by the excellent profitability and prospects of those JVs) explain the increase of NCA.

In MEUR	31/12/2009	31/12/2008	31/12/2007
Non current assets	88,4	66,8	57,0
Current assets excl. cash	135,3	159,8	142,2
Cash & equivalent	83,3	59,1	35,7
<b>Total assets</b>	<b>306,9</b>	<b>285,6</b>	<b>234,8</b>
Equity (incl. minorities)	65,8	49,4	34,4
Non-current liabilities, excl. borrowings	14,3	9,3	13,9
Non-current borrowings	57,4	40,3	50,5
Current liabilities, excl. borrowings	151,7	157,1	124,0
Current borrowings	17,6	29,6	12,1
<b>Total equity and liabilities</b>	<b>306,9</b>	<b>285,6</b>	<b>234,8</b>
Net Working Capital	-16,4	2,4	18,3
Net Debt	-8,2	10,8	26,9

- In the light of the excellent result, the Board will recommend a total dividend of EUR 0.60 per share to the Annual Shareholders Meeting to be held on 27 April 2010. Taking into account the advance dividend paid in September 2009, the final dividend will amount to EUR 0.45 to be paid on 10 May 2010



## Post Balance Sheet Events



- Research Cottrell Cooling Inc has been awarded by Shaw Group for a turnkey contract worth approximately USD 95 million (around EUR 68 million): design and construction of two 600' natural draft cooling towers for the planned expansion of the Plant Vogtle nuclear generation station (unit 3 & 4) located in Waynesboro, GA.
- This order, confirmed on 24 February 2010, augurs well for the Hamon's return to the cooling business in the NAFTA region, just one year after the expiration of the 5-year non compete agreement.

- This presentation contains forward-looking information that involves risks and uncertainties, including statements about Hamon's plans, objectives, expectations and intentions
- Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Hamon
- Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected
- As a result, neither Hamon nor any other person assumes any responsibility for the accuracy of these forward-looking statements

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