

Specialist Energy Group plc
(“Specialist Energy Group”, the “Group” or the “Company”)

25th May 2011

Specialist Energy Group Plc
(“SEG” or “the Company”)

Trading Update

The Directors of Specialist Energy Group plc (AIM: SEGR.L), the specialist engineering group, are pleased to provide a trading update for the Company including its wholly owned subsidiary Hayward Tyler Group Ltd (“Hayward Tyler”) which specialises in the design, engineering and manufacturing of fluid filled electric motors and pumps for the global energy market.

Trading Overview

Following an increase in sales pipeline activity during the latter part of 2010, the Board is pleased to report the momentum within Hayward Tyler’s main manufacturing and aftermarket services divisions has continued into 2011. For the year to date (up to the end of April 2011), intake levels have increased by over one third compared to the same period last year for both new units and aftermarket orders. Currently, the forward order book stands at £22.4m.

Power Generation

Within the conventional power generation market, Hayward Tyler’s activities continue to be heavily focused on Chinese and Indian markets with a number of new units shipped to these geographies during this period.

Meanwhile, within the nuclear power generation market, Hayward Tyler has successfully completed a shipment to one of America’s largest producers and transporters of nuclear energy. Valued at USD3.6 million, the order was for Aftermarket Spares and was successfully shipped during the first quarter. To date, Hayward Tyler has installed equipment in almost 60% of the nuclear power plants in North America and in over 140 Nuclear Power Installations globally.

Offshore Oil & Gas

In Europe, the Directors are also pleased to report that the Group continues to make good progress, Hayward Tyler having recently completed and shipped a 2.7MW Subsea Motor to the GE Oil & Gas Universal Subsea Boosting (“USB”) research project. The shipment follows a two year development programme, the initial contract having been awarded in 2009. The Hayward Tyler subsea motor will be used at the USB test programme at GE’s Nuove Pignone facility in Bari, Italy.

Across the Group and for the period up to the 30 April 2011 Hayward Tyler’s order intake was over £12.5m.

Operational developments

In the UK, the Company has continued to strengthen its operations and invest in its people with the promotions of Rupert Knowles to Technical Director, Geoff Robinson to Projects Director and Larry Redmond to Operations Director. In India, the Company has promoted Ratish Balachandran to General Manager and he will continue to focus on the growing aftermarket opportunities in the subcontinent whilst providing support to the new unit sales team.

Approaches

Further to the announcement of 3 May 2011, the Directors confirm that discussions remain ongoing with certain parties that have approached the Company that may or may not lead to an offer for, or an acquisition of, the Company. There is, however, no certainty at this stage that any potential transaction will be concluded. Shareholders will be updated in due course.

Ewan Lloyd-Baker, Chief Executive Officer of SEG, commented:

“We are delighted to see the sales pipeline at the end of last year now being converted into new order wins. Hayward Tyler has established itself as a global market leading brand in its sector, the Group now having revenues healthily split across the US, Europe, India and the Far East. Our strengthened balance sheet following the recent funding round is likewise allowing us to further deepen our market penetration and product development activity.”

Contact details:

Specialist Energy Group plc
Ewan Lloyd-Baker, Chief Executive Officer
Nick Flanagan, Finance Director

Tel: 020 7747 8380

finnCap, Nomad and Broker
Tom Jenkins – Corporate Broking
Marc Young – Corporate Finance

Tel: 020 7600 1658

Akur Partners LLP
Andrew Dawber – Corporate Finance
David Shapton – Corporate Finance

Tel: 020 7499 3101

GTH Media Relations
Toby Hall

Tel: 020 3103 3900