



Specialist Energy Group plc  
(AIM: SEGR.L)

**Niche Engineering Solutions  
for the Global Energy Sector**



[www.segroupplc.com](http://www.segroupplc.com)

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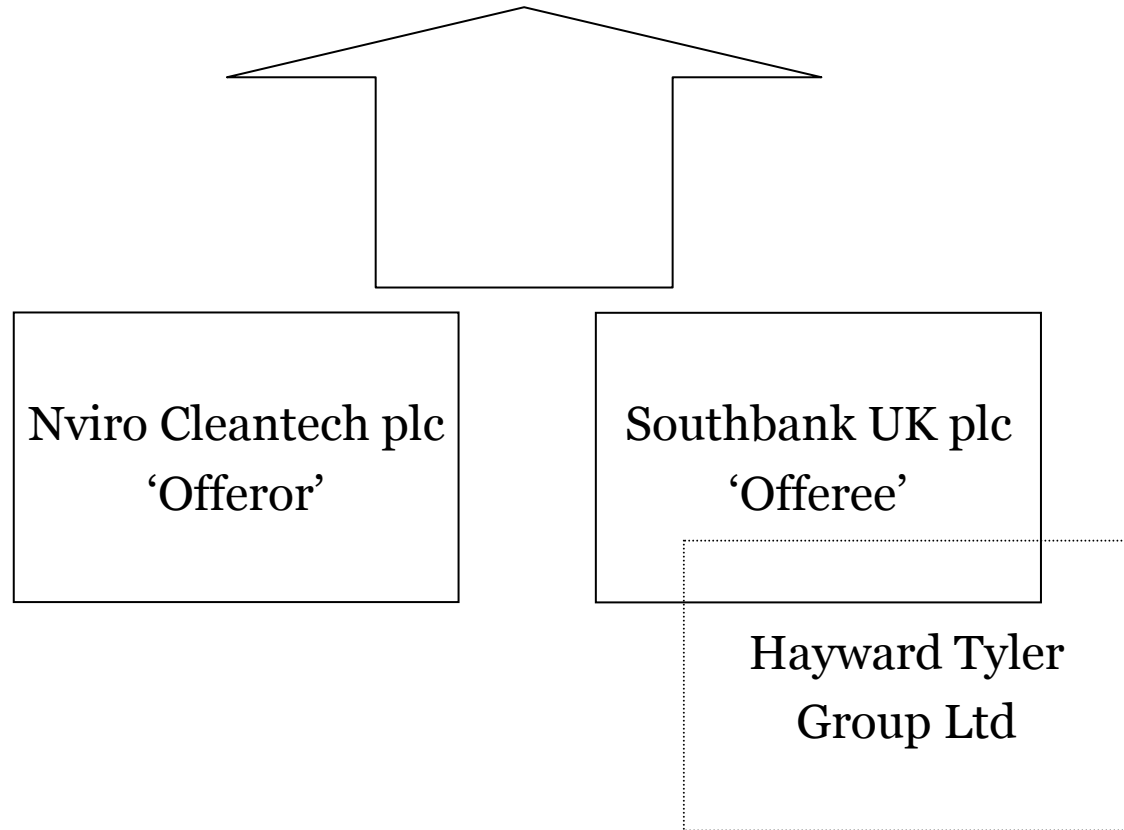
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## The 'Reverse'

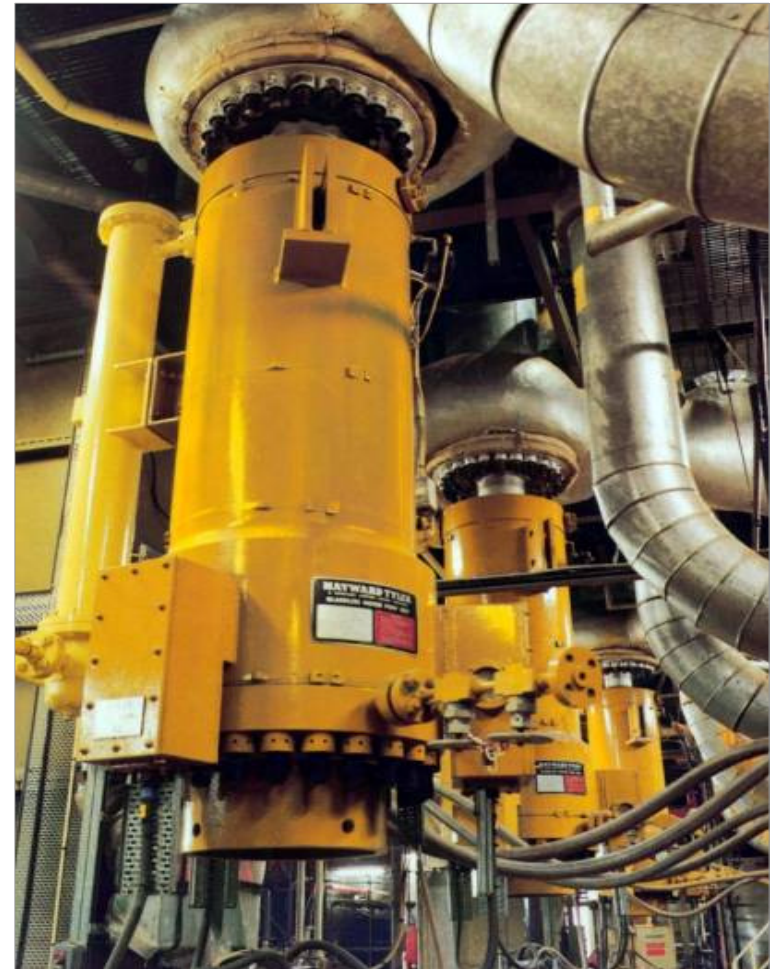
### Specialist Energy Group plc



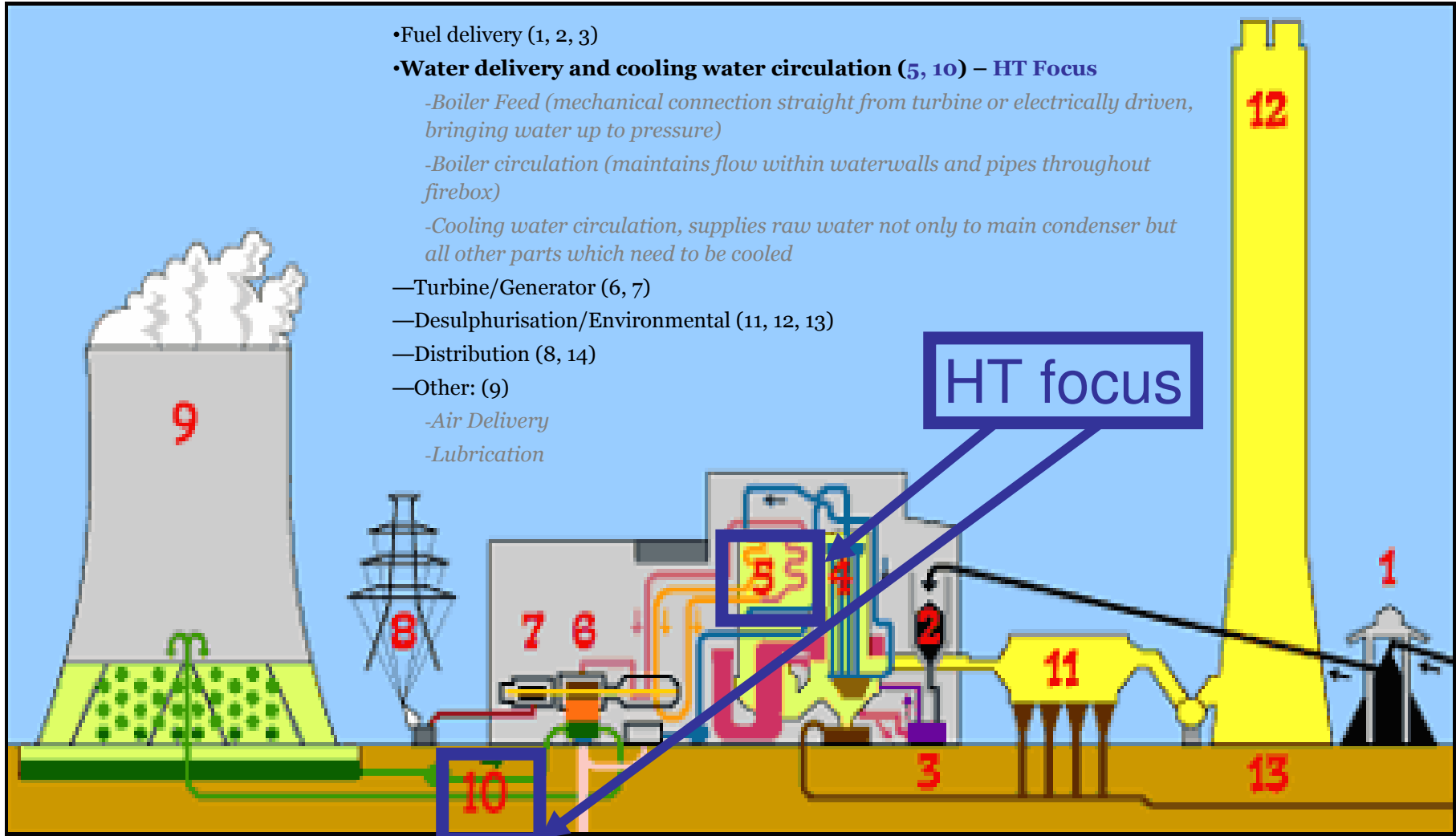
## Boiler Circulating Pump – overview

Glandless Boiler Circulating Pump (“BCP”)

“MISSION CRITICAL”  
Reliability – key



## BCPs - application



- Fuel delivery (1, 2, 3)
- Water delivery and cooling water circulation (5, 10) – HT Focus
  - Boiler Feed (mechanical connection straight from turbine or electrically driven, bringing water up to pressure)
  - Boiler circulation (maintains flow within waterwalls and pipes throughout firebox)
  - Cooling water circulation, supplies raw water not only to main condenser but all other parts which need to be cooled
- Turbine/Generator (6, 7)
- Desulphurisation/Environmental (11, 12, 13)
- Distribution (8, 14)
- Other: (9)
  - Air Delivery
  - Lubrication

HT focus

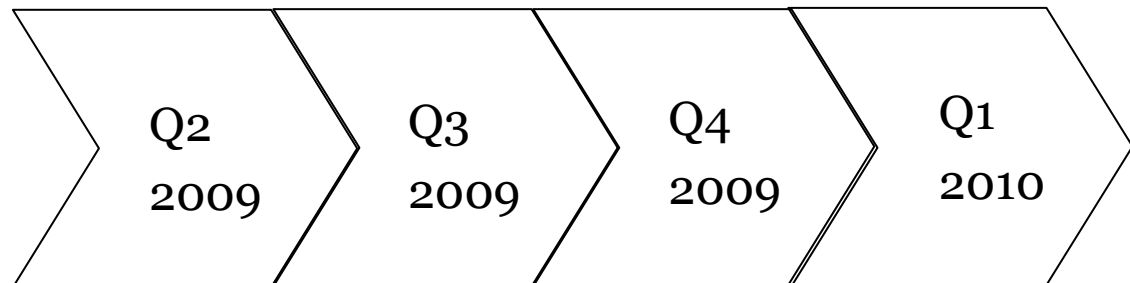
## Markets & Products – OEM & Services

Power generation (including Nuclear)

Oil & Gas – topside & subsea



## Timing



Q2 2009

—Heads

Q3 2009

—Due diligence

-*Legal*

-*Financial*

-*Environmental*

Q4 2009

—Readmission document/Prospectus

—Offer document

—Circular

—Investor presentation

—Verification notes

—2.5 announcement

Q1 2010

—EGM

—1<sup>st</sup> closing date

—Readmission of shares to AIM

## The cast of thousands

	Offeror	Offeree
NOMAD/Broker	X	
Financial adviser	X	X
Rule 3 adviser	X	X
Auditor	X	X
Reporting accountant	X	
Lawyers	NOMAD & auditor Overseas	
Lawyers	X	X
Financial PR	X	X
Company secretary	X	X
Registrars	X	X

## Short term vs long term

- 6 months in
- “one swallow does not a summer make”
- Impact of liquidity
- Underlying fundamentals
- Communication



£m	FY 2010*	FY 2009**	FY 2008
Turnover	40.7	36.8	33.1
Gross Profit %	31%	29%	15%
EBITDA	4.4	3.0	(1.8)
Operating Profit	3.5	2.3	(2.3)
Profit Before Tax	2.7	1.4	(6.2)
<b>Net Profit</b>	<b>1.9</b>	<b>1.6</b>	<b>(4.4)</b>
EPS Adjusted (p)	7.6	0.2	(0.5)
Price/Sales (average 1.9x)***	0.2x		
EV/EBITDA (average 4.7x)***	4.7x		
<b>PER (average 13.5x)***</b>	<b>4.7x</b>		
Net Debt	(7.3)	(9.9)	(12.4)
<i>All data stated under IFRS</i>			
<i>*Fairfax expectations, shown for illustrative purposes only (not approved by SEG)</i>			
<i>**P&amp;L figures exclude non-recurring items</i>			
<i>***Net debt is pro forma and reflects £3.8m cash inflow from AIM fund raising but not cash in Nviro</i>			
<i>****Average figures based on Industrial Engineering sector, source: Fairfax estimates</i>			

## **The Potential**

—SEG plc is a specialist engineering/energy focused group with substantial revenues in:

*Thermal power & Nuclear power*  
*Oil & Gas (Topside & Subsea)*  
*'Renewables'*

—Positive market outlook driven by:

*China & India*

—Firm order book – visibility through to Q2 2011

—Strong EPS growth potential:

*Visibility through the order book*  
*Future service revenues*

—Strong institutional shareholder base

—Improved access to capital & liquidity on AIM

—Longer term growth story through 'buy & build'

## **Niche Engineering Solutions for the Global Energy Sector**

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