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“Consistently good short-term performance whilst investing in growth for the future”

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Andrew Williams started the presentation by highlighting the major elements of a good first half performance.

Halma has performed well during the first half with double digit growth in revenue and profit. We continue to deliver healthy organic growth despite having absorbed a 3% adverse currency impact.

We have also seen encouraging progress in China, both strategically and from a trading perspective. Our increased investment in people development and R&D continues to bear fruit and we are improving our pipeline of acquisition opportunities. Today we are announcing that our interim dividend is raised by 5%.

Kevin Thompson, Finance Director, reviewed the major elements of Halma's half year financial performance.

We achieved record revenue and profit in the half year. Revenue increased by 12% to £187.9 million (2006/07: £167.5 million) and profit¹ was up 10% to £33.6 million (2006/07: £30.6 million).

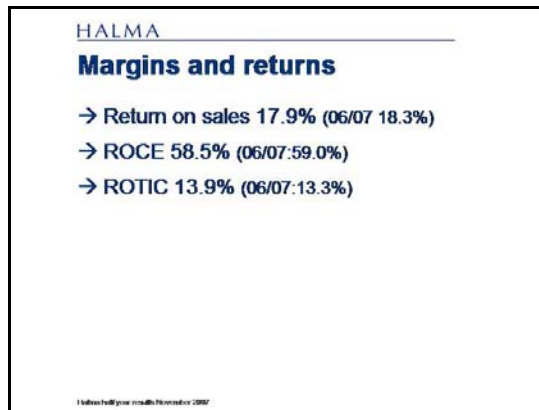
	£m	Versus last year	Organic growth	Organic growth (constant currency)
Revenue	187.9	+12%	+8%	+11%
Profit*	33.6	+10%	+5%	+8%
Return on Sales	17.9%			

* before amortisation of acquired intangible assets

Halma half year results November 2007

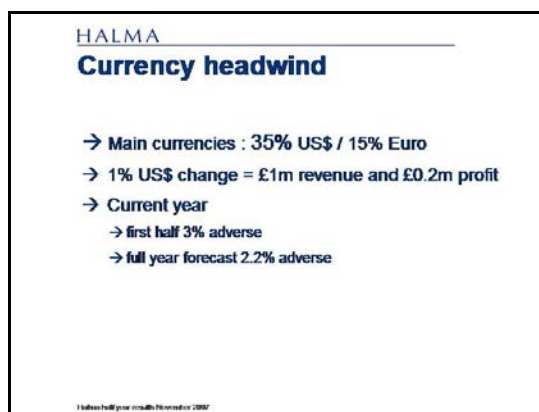
Continuing the pattern of good organic growth², organic revenue growth was 8% and organic profit growth was 5%. These figures adjust for the contribution from the Trittech International and Labsphere acquisitions made in the second half of last year. The organic growth figures would each have been 3% higher at constant currency.

We actively manage the tension between short-term results and investment for the future, so that the right balance is achieved. In the half year, revenue grew a little faster than profit and so Return on Sales³ reduced from 18.3% to 17.9%. Product margins were steady with overheads increased, notably in the area of Research and Development where expenditure was up 28%. Overheads in our Photonics sub-sector (part of Health and Analysis) were increased, strengthening the business and under-pinning the rapid growth we achieved in the past couple of years.



Return on Capital Employed⁴ (ROCE) and Return on Total Invested Capital⁵ (ROIC) were at typically high rates with ROTIC increasing from 13.3% to 13.9%.

There was a currency headwind in the half year.



Around 35% of Halma's revenue and profit is in US Dollars, with 15% in Euros. A 1% change in the US Dollar equates to a movement of £1 million in revenue and £0.2 million in profit. As expected, the weakness of the US Dollar reduced the half year revenue and profit by 3%. If the US Dollar and Euro stay at their current rates we anticipate just over 2% adverse impact on revenue and profit for the full year. So there is an exposure to currency but it is not currently at a level that stops us delivering growth.

Cash flow in the half year was satisfactory. Working capital increased in line with revenue growth and we continue to work hard to use our assets as efficiently as possible.

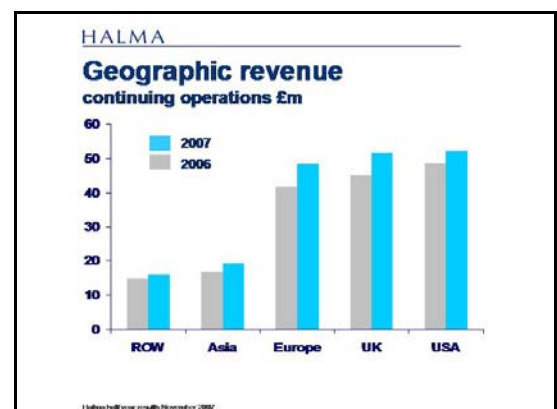


Capital expenditure increased and is currently running at around 140% of depreciation as we continue to invest actively in our businesses. We are putting extra cash at the rate of approximately £5 million per year into the group's defined benefit pension schemes, reducing the deficit.

Net debt at the half year end was at the modest level of £6.4 million meaning that we have plenty of financial capacity.

Continuing our progressive dividend policy, the Interim dividend was increased by a further 5%. By growing earnings at a good rate we are also edging up our dividend cover. Overall we are in a strong financial position.

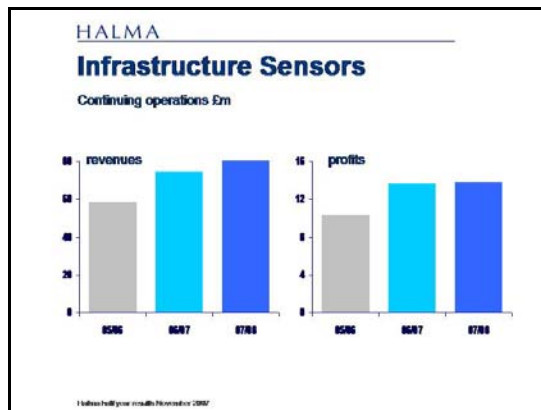
Halma achieved double digit growth in all the major regions we sell to with the exception of the US. Even here the reported sales growth to the US of 7%, if expressed in constant currency, would show an increase of 16%.



Fire Detection and Health Optics grew revenue strongly in the UK. Fire Detection and also Gas Detection performed well in mainland Europe driving growth in both regions by 15%. Sales to the Asia Pacific

and Australasia region were up 14% with China 38% ahead. Maintaining the momentum in revenues continues to be an integral part of the group's development.

Sector review



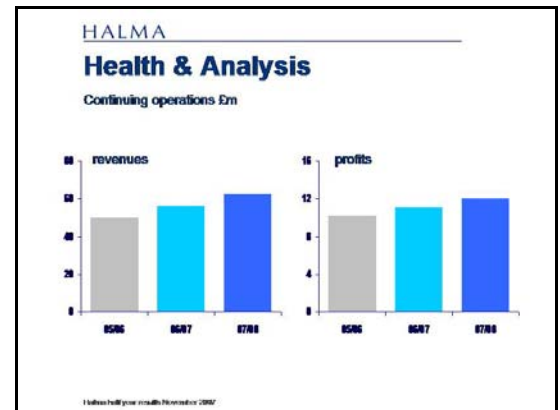
Infrastructure Sensors revenue increased by 8% with profit growing by 1%. All of this growth was organic, with a very strong performance in Fire Detection reducing the adverse profit impact of the cost of major strategic changes in Security.

Our major Fire Detection business, Apollo Fire Detectors, benefited from a strategic change made in the past year turning them from a pure fire detector manufacturer into a broader fire solutions business. Revenue from components complementary to fire detectors is growing well and Apollo's geographic base is developing through local recruitment and product approvals. In the first half export sales were up by over 20% and good momentum has been established for the future.

Profitability was lower in Security due to currency movements (especially the South African Rand) and the cost of the strategic actions flagged earlier in the year. New management, new US and Chinese product approvals, significant changes in manufacturing, new international sales channels and a stronger new product development pipeline will enable us to build a truly international security sensor business. The cost of these changes during the half year was approximately £0.5 million with a similar cost expected in the second half. The

scope and speed of change is considerable and this bodes well for the future.

Our Automatic Door Sensor business performed to expectations and our Elevator Safety business made progress and is coming to the end of its strategic reorganisation into three regionally based businesses.

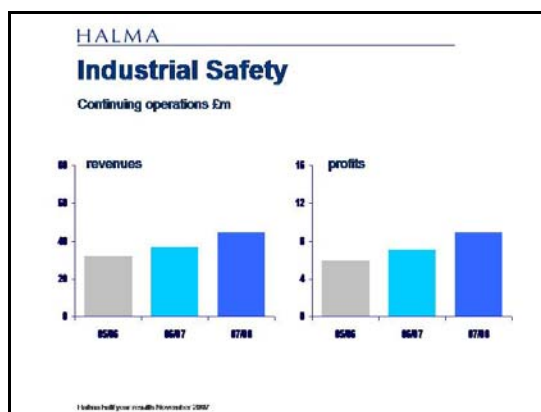


Health and Analysis revenue increased by 12% and profit by 8%. Satisfactory organic growth was achieved despite this sector taking the largest US\$ currency hit. All of the four sub-sectors, Water, Fluid Technology, Health Optics & Photonics performed well. Product margins were steady with an increase and shift in overheads reducing return on sales slightly. Importantly, this overhead growth was mainly in resources to generate further revenue and profit growth. R&D expenditure increased by 15% whilst selling costs increased by 17%. The shift towards more spend in R&D and selling was particularly strong in Photonics and Health Optics.

There was continued good progress in our water business. Water is a long-term growth market which clearly offers global opportunities.



Recent developments include obtaining US approvals for selling UV systems for water reuse in the US (NWR) and an ongoing project to gain approval for our UV products to be used to disinfect drinking water in the US (US EPA). We have developed a new sensor for measuring chlorine levels in drinking water which totally 'de-skills' the process. We launched the next generation permanent water leak detection product, "Permalog +" which for the first time will enable water utilities to have leak data delivered from underground sensor to their computer with no manual intervention. Data is automatically transferred via RF communication systems developed through a joint collaboration with one of our asset monitoring businesses.



Industrial Safety revenue increased by 23% with profit up by 27%. Our acquisition last year, Trittech International, performed well and strong organic growth was achieved across the sector. Oil and Gas related markets offered us particularly good opportunities and were a major factor in Halma's revenue increasing in Africa, Near and Middle East. As with our other sectors,

product margins were steady and R&D investment increased.

Following the half year end we acquired a new subsea monitoring technology business, Sonar Research & Development (SRD) for £2.6m. SRD will join Trittech International which is a market leader in subsea asset monitoring. SRD's technology is a further advance on Trittech's current offering utilising digital (solid state) sonar instead of analogue (mechanical) based products. Both technologies are used to survey physical assets under water.



SRD's products are typically fitted onto surface vessels and not the remote operating vehicles (ROVs) which utilise Trittech's products. We see an excellent opportunity to both increase the sales of SRD's existing products through Trittech's powerful distribution channels but also to bring SRD's enhanced technology to Trittech's ROV customer base.

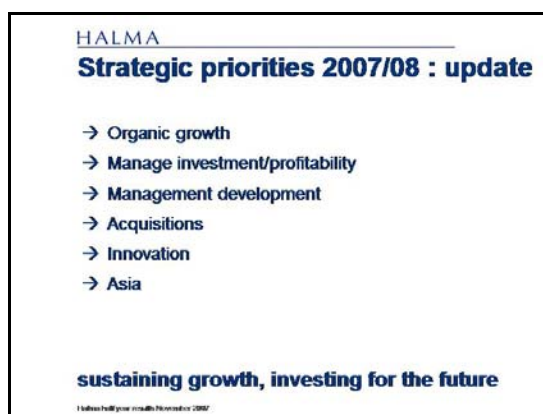
We continue to invest in group wide initiatives which enable our subsidiaries to grow faster.



Following the establishment of our Halma hubs last year, H1 revenue to China increased by 38% to £4.3m with our Photonics business making a particularly strong contribution. We now have 11 companies present in the hubs and have selected a location close to Shanghai to house new manufacturing operations for up to 4 of our smaller businesses – adding to our 2 existing manufacturing bases in the country. We have established a wholly-owned foreign enterprise (WOFE) for our gas detection business via a small acquisition. The WOFE will enable us to manufacture and develop new gas detection products for China. Negotiations are also at an advanced stage to conclude a similar commercial deal for our fire detection products.

We have a stronger pipeline of acquisition opportunities than at the start of the year with the quality of businesses we are evaluating improving too. We have increased our people resources to accelerate our efforts. These additional resources will assist DCEs with the early screening of, and visit to, promising prospects. We are seeing no discernible change in our M&A environment following the recent 'credit crunch' - if anything it has become even more competitive in many of our chosen markets.

In summary, we have made good progress against our strategic priorities for this year.



We are sustaining organic growth and working hard to manage the balance between investment and short term profitability. We continue to invest in developing our managers and during the first half established a new management development programme for subsidiary managers to complement our senior executive development programme. The benefits of this investment in people

development is reflected in our DCE succession processes with Allan Stamer, one of our existing Managing Directors, replacing Andy Richardson who departed in October.

We have completed two small bolt-on acquisitions in the year so far and are allocating more resources to exploit the improved acquisition prospect pipeline.

Our rate of innovation is a key focus and, as can be seen in this presentation, contributed to the significant progress in our Fire Detection and Water businesses during the first half.

We will also continue to develop our business in Asia and, with good progress in China, are starting to look at which other regions could benefit from a similar Halma hub initiative.

Our diverse and carefully selected market mix has enabled us to consistently deliver good short term performance whilst also investing in growth for the future. We remain positive about our prospects for making further progress this year and in the medium term.

¹ Before amortisation of acquired intangible assets of £2.0 million (2006/07: £1.5 million).

² Organic growth measures the change in the revenue and profit from continuing operations. The effect of acquisitions made during the current or prior financial period has been equalised by subtracting from the current period results a pro-rated contribution based on their revenue and profit at the date of acquisition.

³ Return on sales is defined as profit¹ before taxation from continuing operations expressed as a percentage of revenue from continuing operations.

⁴ Return on capital employed is defined as operating profit¹ from continuing operations expressed as a percentage of operating assets.*

⁵ Return on Total Invested Capital is defined as annualised profit for the period from continuing operations before amortisation of acquired intangible assets, after taxation; expressed as a percentage of total shareholders' equity, adding back net retirement benefit obligations, cumulative amortisation of acquired intangible assets and historic goodwill.*

* see 29 November 2007 Half year report for more details.

CAUTIONARY NOTE. *The information contained in this summary is believed to be correct at 29 November 2007. This document may include forward-looking statements that are not factual. Such statements involve both known and unknown risks. The actual results of Halma p.l.c. may differ from results that are anticipated or implied by any forward-looking statements. The content of presentations, including any forward-looking statements, is not revised after publication.*