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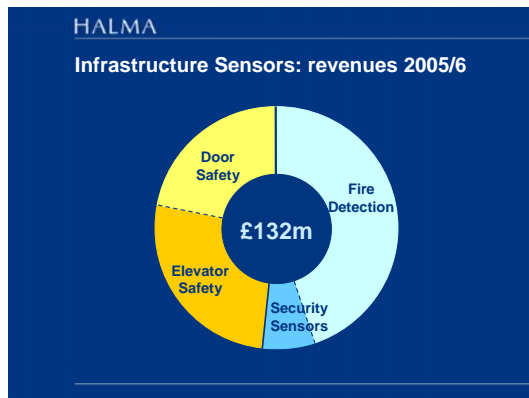
Halma p.l.c. B.E.A. Site Visit

Summary of presentations

6 February 2007

Halma held a site visit for analysts and investors at B.E.A., its subsidiary headquartered in Liege, Belgium.

Andrew Williams began by welcoming the guests to B.E.A. and outlined the agenda for the day. He highlighted the recent financial performance of Halma's Infrastructure Sensors sector, the largest sector in the Group. Within that sector there are four sub-sector businesses: Fire Detection, Security Sensors, Elevator Safety and Automatic Door Sensors.

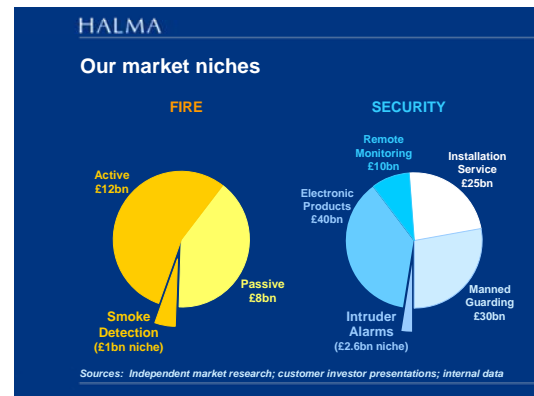


The current strategic priorities for Infrastructure Sensors reflect those of the Group overall with organic growth the top priority.



Geographic expansion is a key objective and over the last 18 months new offices have been opened in places as diverse as Dubai, Mumbai, Chongqing (China), Spain, Ireland and the US. We are seeking to leverage more from our existing resources through clearer strategic planning and the continuing development of our people. This visit to B.E.A. also shows how Group companies are diversifying into closely adjacent market niches.

Neil Quinn then explained how Halma's Fire & Security business copes with market consolidation and has maintained high returns over a long period.



We operate in two niches, totalling £3.6 billion, within the £125 billion global Fire & Security market. The global market growth rates are estimated to be 4% to 5% for Fire and 6% for Security. Over the last 10 years, significant factors have affected this market including market consolidation by the 'Big 5' players (Honeywell, GE, Tyco, Siemens and UTC) and a long term trend of pricing pressure.

Despite these potentially limiting factors, over the last decade Halma's Fire & Security sales have grown by a compound organic growth rate of 7% per annum. In addition, the Group has made related acquisitions adding HVAC smoke detectors, wide area detectors and most recently, security motion detectors.

Important factors driving this sales growth have been geographic expansion, acquisitions and growing sales to the 'Big 5' OEM customers, whilst maintaining high margins.



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'Big 5' customers – Halma benefits

- Sizeable, high quality manufacturing partner
- International product approvals with no delay/cost
- Fast delivery response
- Design customisation
- Increased service income potential

The sales increases to OEMs reflects the unique benefits we provide. We offer a combination of a sizeable, high quality manufacturing partner together with rapid speed of response - both in product delivery and product customisation. We have over 3,000 international product approvals which mean that our customers can buy a product for almost any part of the world without having to deal with local product approvals and certification themselves. We have an established strategy of open software protocols which means that our sensors communicate with a wide variety of control panels. This ensures the OEMs also have the opportunity for increased service income potential.

There are three main reasons why we are able to maintain high margins. Reducing the cost of manufacture and new products are, perhaps, obvious factors in this success. Less obvious is the active way we have managed our sales mix. Proportionately, sales of 'intelligent' products has increased while sales of 'conventional' products has reduced. Intelligent products offer customers greater functionality and performance for which we charge a higher price.



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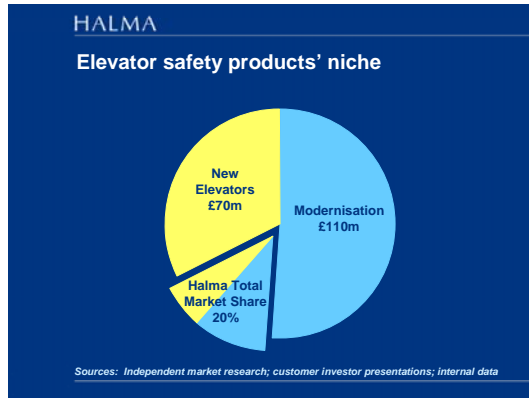
Current growth initiatives

- Technology
 - Wireless
 - New sensor technology
 - Control panel partners – open protocols
- China & Asia
- Further geographic sales expansion

Our Fire & Security businesses continue to work on initiatives to generate growth for the future. New sensor technologies and the use of wireless communications feature in our R&D plans. We are developing stronger relationships with our Control Panel partners to exploit the opportunities presented by our open protocol communication strategy. Finally, China and Asia are important elements in our geographic expansion plans and we are developing good relationships with businesses in the region.

John Campbell continued with an overview of Halma's Elevator Safety business highlighting the importance of 'new construction' versus 'modernisation' to our business and our plans to leverage our global market presence to accelerate growth.

We make a range of products for elevators including infra red door safety edges, emergency telephones, displays and fixtures. We are world market leaders in infra red door safety edges.



More than 60% of the £20bn global Elevator market is for 'modernisation' where legislation or safety regulations and ageing existing installations creates demand for new technology and upgrading. We have a 20% market share of the £180m Elevator Safety products niche.

There are many regional differences in terms of installed base, new elevator installations and modernisation. Europe has the largest installed base of elevators and the largest modernisation demand. Clearly, Asia offers us exciting growth opportunities with the highest demand for new elevators

In recent years we have struggled to achieve sales growth despite the market offering reasonable opportunities. Consequently, we have refined our operating strategy to meet the needs of today's customers more closely.



Our Elevator Safety businesses have now got clear regional responsibility for sales, marketing and product development. Three businesses; Janus, Memco and T L Jones have primary responsibility for driving organic growth in America, Europe and Asia respectively. Rather than each business trying to sell some of the Group product range into as many countries as they can, they are now selling all of the Group products to all of the customers in their regions. In addition, they each have primary responsibility for technical development in one of our product areas.



The benefits of this change is that our businesses are now structured to meet customer needs rather than our internal operational needs. With larger businesses we are able to build stronger management teams and expand our

local sales office network. We are developing our low cost manufacturing capabilities in the Czech Republic and China.



In the longer term we aim to get closer to our customers in all parts of the world than our competitors. We can offer our customers a global reach and highly focused investment in R&D which will build an even stronger product range.

There was then a tour of the B.E.A. headquarters, R&D and operations facility and discussion with Group and local management. B.E.A. is the world leader in sensors for automatic pedestrian doors.