



...it takes ambition

Dr Ling Sun Director of Asia Operations for Ocean Optics, Inc.

We appointed Dr Ling Sun Director of Asia Operations for Ocean Optics, Inc. to head up a new regional sales office in 2006. Based in Shanghai, Ling's team provides region-wide sales and technical support for our photonics technologies throughout the dynamic Asian market. Before joining us, she gained a doctorate in Material Sciences from the Tokyo Institute of Technology, and was principal engineer for Ocean Optics products at our Japanese distributor.



Seven Halma businesses – Ocean Optics, Crowcon, Hanovia, Keeler, Berson, Netherlocks and Palintest – have set up new direct sales operations in China during 2006/07 using the hub offices as a springboard.



Our miniature fibre optic spectrometers are used to test LED lamps in this quality control system manufactured by Huge Winners CNC System Ltd., Shenzhen, China.



Springboard for success

There are tremendous opportunities for our companies to contribute to China's rapid economic development. To kick start our subsidiaries' entry into Chinese markets, during 2006 we set up hub offices in Shanghai and Beijing. From these hubs we offer subsidiaries fully-serviced offices. They are supported by experienced local managers providing administrative, marketing, human resources and legal services.

When Ocean Optics set up a new direct sales operation in China in 2006, they quickly established a sales and support network based on the Halma hub office in Shanghai. Now well established with growing sales, they have moved into their own premises.



The Halma Executive Development Programme (HEDP) is as much about personal development as acquiring management skills. Here Halma managers entertain children cared for by the Shisei Gakuen Children's Charity, Tokyo, Japan.



Teamwork in action as our managers on the HEDP scheme learn about group behaviour through practical exercises.



...it takes investment in people

Jim Ludwig MD of Texecom Limited

Jim Ludwig joined our US corporate team in 1998 as a specialist in acquisitions and business development. Four years later, he switched roles and moved into line management as President of Air Products and Controls Inc., a US fire products manufacturer with 33 employees. One of the many Halma executives who have benefited from the Halma Executive Development Programme (HEDP), Jim has recently moved to the UK to head up security sensor specialist Texecom, which has over 300 staff.

A black and white photograph of a hand gripping a metal railing. The railing consists of several parallel horizontal bars supported by a vertical post. The background is plain white. The image is partially obscured by a teal-colored text box at the bottom.

Improving our people resources

Raising the quality of leadership throughout the Group by investment in people is central to our growth strategy. The HEDP has been running successfully for 18 months and, by the end of 2007, over 80 of our senior managers will have completed the three-week residential course. In April 2007 we launched a new training scheme, the Halma Management Development Programme, to extend our commitment to people development across a wider group of employees.

Investment in people has greatly improved mobility and career development opportunities for our high flyers. We can consider internal candidates for top jobs more often and our managers have greater opportunities to work in different regions of the world.



Tim Stubbs, Engineering Manager, and Mike Golding, Managing Director, of Fortress Interlocks Limited, celebrate winning the Queen's Award for Innovation in addition to the "Green" Innovation Award in the 2006 Innovation & Design Excellence Awards.



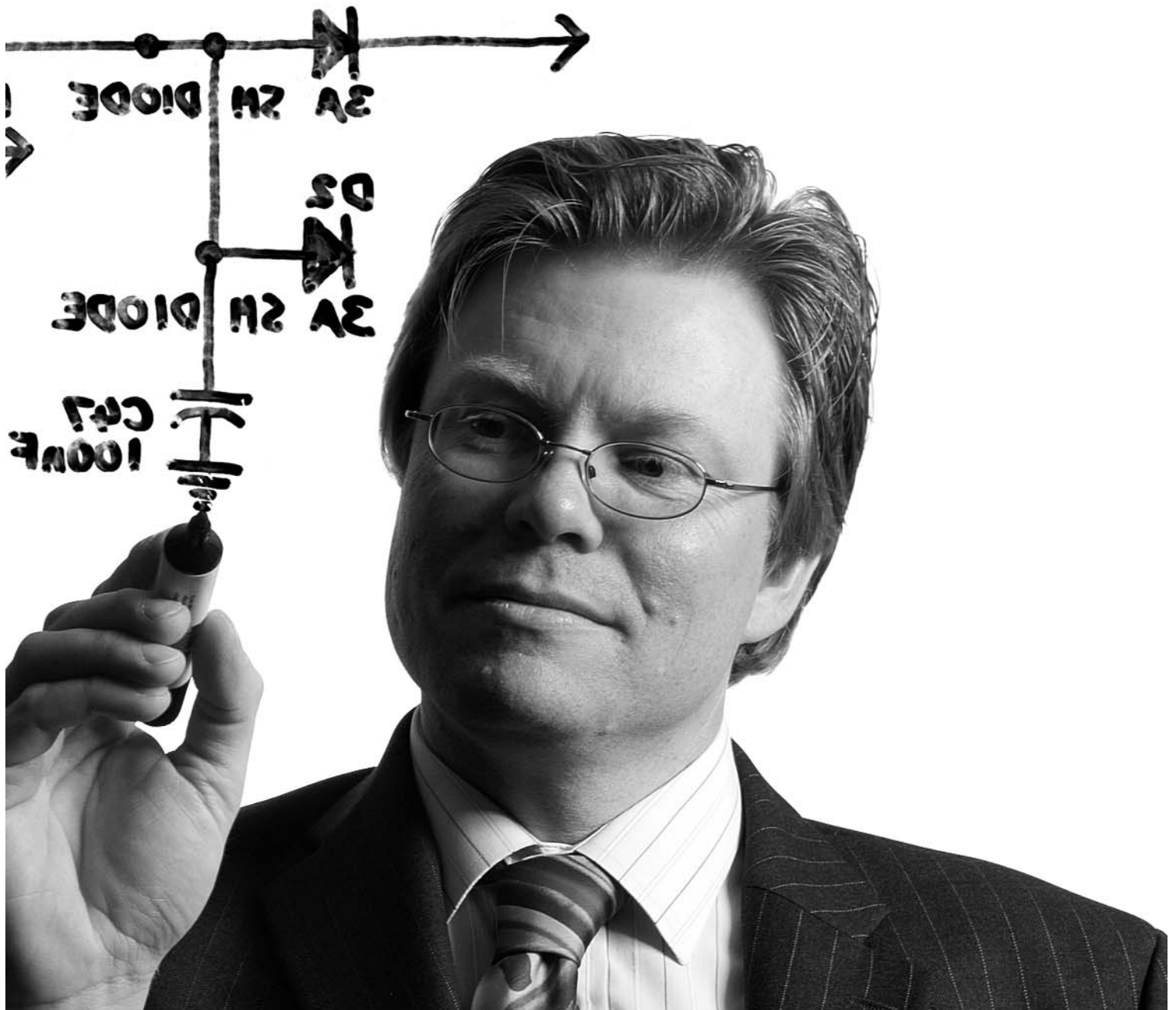
The "Best Small-Scale Innovation" at the 2006 Railway Forum/Modern Railways Innovation Awards went to Radio-Tech Limited for their Rail Temperature Monitor safety system which gives early warning of the risk of track buckling.



...it takes innovative people

Inder Panesar Director and Brian Back MD of Radio-Tech Limited

Inder Panesar and Brian Back are successful, innovative engineers. This was recognised when they won the Halma 2006 Innovation Award. They developed a unique system which remotely monitors the temperature of railway tracks. It has already achieved substantial sales. Radio-Tech is one of our many highly innovative companies and a technology leader in wireless and cellular telemetry data transmission systems.



Investment in innovation

We invest heavily in R&D to maintain competitive advantage via technological innovation. Continuous innovation is critical to our growth strategy.

We know that successful innovation in business processes and products needs more than imaginative ideas. It demands enthusiasm, resources and perseverance to drive a new concept to completion. Successful innovators continue to develop their ideas, use failures to trigger even better ideas and never give up. These employees are vital to our success and we have strategies to support and encourage them. To give innovation a high profile we award annual and monthly innovation prizes, we run innovation and creativity training courses and organise Group-wide innovation workshops.



...it takes collaboration

Rob Fish MD of Palmer Environmental Limited and Alain Soulié MD of Hydreka SAS

Close collaboration between Rob Fish and Alain Soulié's companies, together with Radio-Tech, another of our subsidiaries, has resulted in the development of a new, fixed network leak detection system for one of the world's largest water companies.



Following the organisation of our elevator safety products companies into three regional businesses covering Asia, Europe and North America, they now collaborate in all areas of R&D, manufacturing, marketing and sales.



This innovative fire detector, which has an integral audible sounder and visible flashing beacon alarm to comply with disability legislation, was developed jointly by two of our subsidiaries.

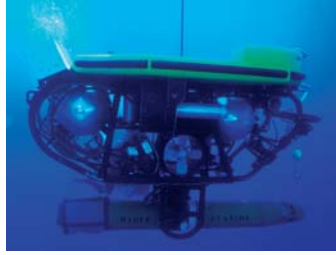
Benefits of collaboration

Hydreka successfully met its customers' demand for a state-of-the-art monitoring system by calling on the technical expertise of both Palmer and Radio-Tech. Working together, the companies developed a unique product combining the benefits of three Group technologies.

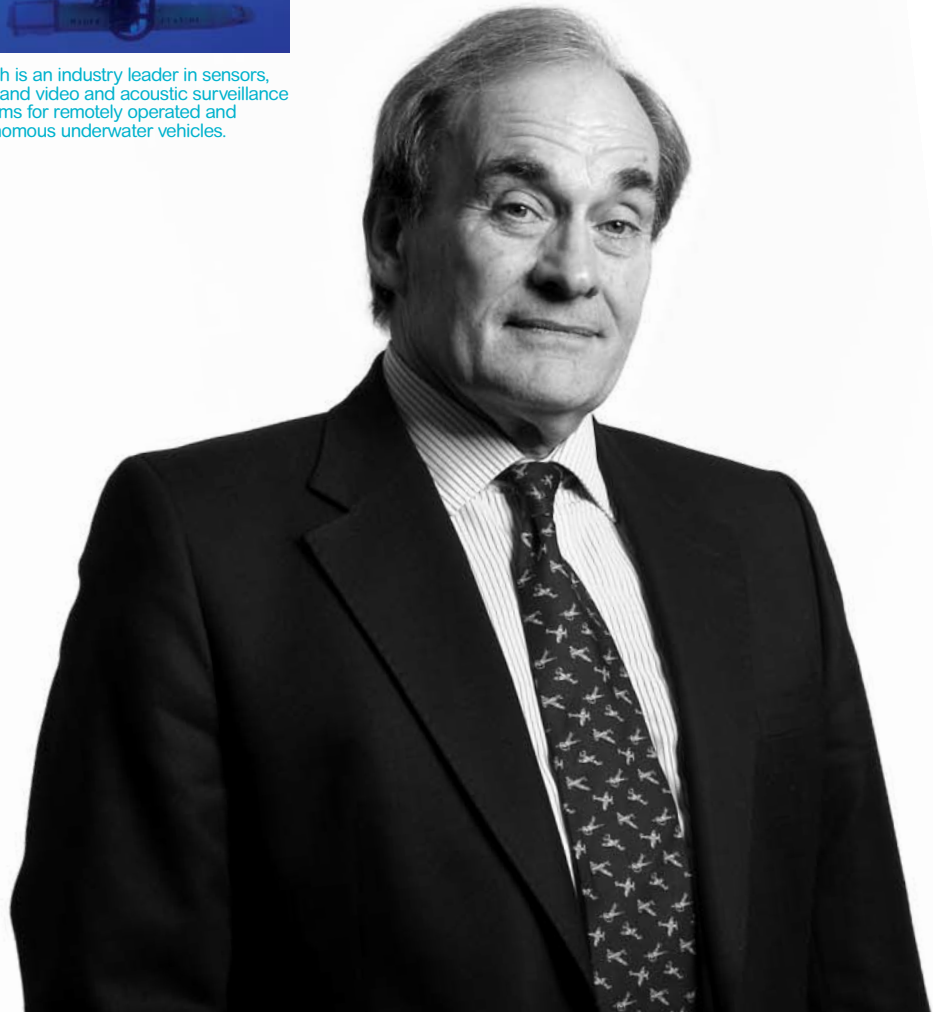
We encourage our businesses to collaborate and share technology advances and application experience. In many markets where competitors have a narrow area of expertise, collaborative product development and marketing can give us a real competitive advantage. Increasingly, our complementary technologies are being offered to the market as a package backed by unrivalled technical expertise.



Customers ranging from international aerospace agencies to digital camera manufacturers use Labsphere light sources to test and calibrate light-sensitive sensors.



Tritech is an industry leader in sensors, tools and video and acoustic surveillance systems for remotely operated and autonomous underwater vehicles.



...it takes entrepreneurs

Richard Marsh, Marcus Cardew, Alison Trepte, Jonathan Trepte and Dick Wright

Vendors of Tritech and System Technologies who have remained with the businesses

Beginning life in 1990 as a two-man operation working from a converted house, Tritech's former owners built the company into an industry leader in acoustic and video equipment for underwater asset monitoring, aided by the expertise of their colleagues at System Technologies. Halma acquired the companies in November 2006.



Acquiring entrepreneurs

Acquiring a business is not purely a financial exercise. We are interested in intellectual assets more than physical assets and search for successful companies in, or adjacent to, the markets we already operate in. We are always keen to 'acquire' the dynamic entrepreneurs who built the business through leadership, determination, single-minded pursuit of opportunities and calculated risk-taking. We have a highly decentralised, entrepreneurial culture. As a result, owners of acquired companies feel comfortable within the Group and often remain in position after selling their businesses. Over the years, a number of Divisional Chief Executives and Halma Directors have joined the Group through an acquisition.



Vulnerable patients at the Northport Veteran's Affairs Medical Center, New Jersey, USA, are protected from contact with elevator doors by our infrared safety sensors. "It's a much safer system. Patients get plenty of advance warning that doors are closing and can take their time," said Mike Boyle, Supervisor (Electrical), Northport Veteran's Affairs Medical Center.



Our UV system treats pool water at the Germantown Academy in Pennsylvania, USA. According to swimming coach Richard Shoulberg, trainer of over 15 Olympic swimmers, "Previously, many of our athletes were having respiratory problems due to heavily chlorinated water. The switch to UV treatment has been amazing. The athletes stopped needing inhalers as the atmosphere around the pool was much better, with no throat and eye irritations."

...it takes satisfied customers

Ray Kamal Vice President of Computrols Inc., New Orleans

Ray Kamal has been with Computrols Inc. for almost ten years with responsibility for sales, marketing, production and R&D. Based in New Orleans, USA, Computrols designs, manufactures and services state-of-the-art building automation systems. The company uses our fire detectors in their CSimon Fire System which delivers cutting edge fire protection. Computrols recently installed our fire detectors in a system that protects the Statue of Liberty on Liberty Island, New York City.



Excellence in customer support

Satisfied customers are essential to our future growth and we have created hundreds of thousands all over the world. Our subsidiary Apollo Fire Detectors provided technical assistance to Computrols so that they could develop control panels that work with our fire detectors. According to Ray Kamal, the companies have developed a strong relationship to ensure that Computrols can offer customers a solution which meets their expectations in this safety critical application. He said, "I've been impressed by the fact that Apollo fire detectors are so easy to install and always work straight out of the box. They are delivered on time, defect free. Apollo provides 'above and beyond' technical support and their advice has helped to get our system listed to the highest certification possible which was incredibly important to us."

computrols