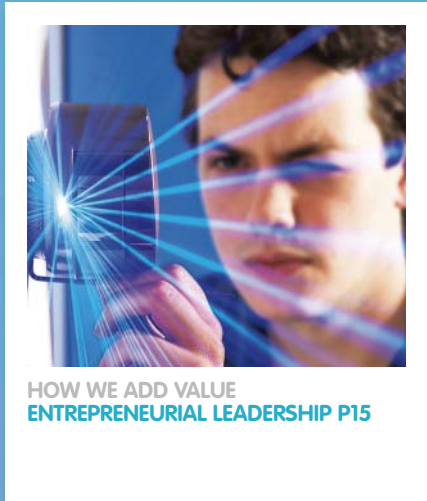


Where we operate

Halma has three sectors with employees in over 20 countries



Sales offices

- Infrastructure Sensors
- Health and Analysis
- Industrial Safety

Regional growth

Since 2005 we have accelerated our efforts to expand the Group's geographic reach. Investment has been made across the world and this has resulted in revenues to regions outside the UK, USA and Mainland Europe nearly doubling over that period and increasing from 19% to 22% of revenue from continuing operations.

Mainland Europe

For the first time Mainland Europe has become the largest destination for our sales. All three of our Sectors grew strongly this year, in particular our Door Sensors business performed well, with the recently acquired Riester also adding to our strength in the region.

23%

MAINLAND EUROPE % GROWTH



**HOW WE ADD VALUE
ENCOURAGING COLLABORATION P39**



**HOW WE ADD VALUE
LEVERAGING OUR RESOURCES P33**

United States of America

Once again revenues to the USA grew well across all sectors. Our Health and Analysis business delivered particularly strong growth with all of its subsectors making good progress. Health and Analysis represents over 50% of our revenue in the USA.

17%

UNITED STATES OF AMERICA % GROWTH

United Kingdom

We have UK market leadership in a number of our businesses. There was a slowdown in customer demand in several areas that impacted on us this year, notably sales to the UK water utilities, to our North Sea asset monitoring customers and in the Safety Sensors market. Our Fire Detection sub-sector performed well.

(4)%

UNITED KINGDOM % REDUCTION

Rest of World

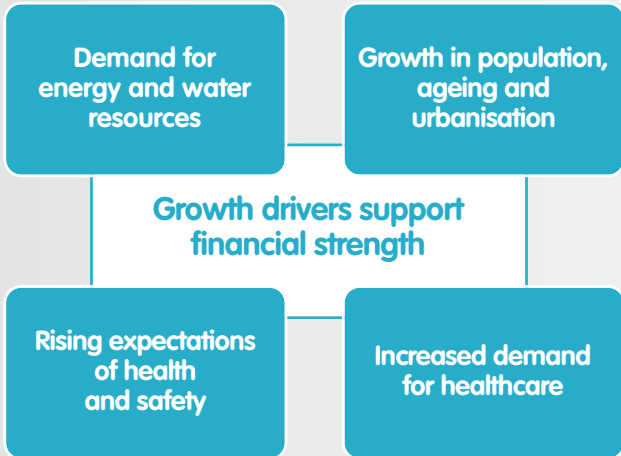
This "region" includes Asia Pacific and Australasia, Africa, Near and Middle East and other countries. We have continued to focus attention and investment on these areas, for instance with the establishment of the Halma hubs in China and now India. We are seeing our fastest rates of growth here.

31%

REST OF WORLD % GROWTH

Why we are resilient

Growth drivers



Our three operating sectors, Health and Analysis, Infrastructure Sensors and Industrial Safety, were chosen because they offer markets where sustained growth is underpinned by strong, resilient drivers.

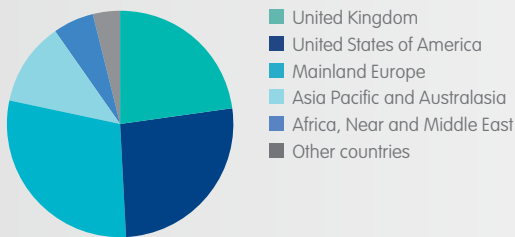
Many of our markets are highly regulated. Halma products frequently satisfy demand created by health, safety and environmental legislation. Regulation is a powerful driver which stimulates non-discretionary purchasing.

When we acquire, we only invest in companies exposed to relatively non-cyclical markets, with strong growth drivers, and where high barriers to entry deter new market entrants.

See page 16 for more information about our growth drivers.

Geographical diversity

REVENUE BY DESTINATION 2009



Halma is a global business operating in 20 countries. We sell to approximately 160 countries. The geographical diversity of our customer base enhances the defensive qualities of our earnings stream. In line with our strategic objective, revenues are growing faster outside of the UK and USA, particularly in Asia and Mainland Europe.

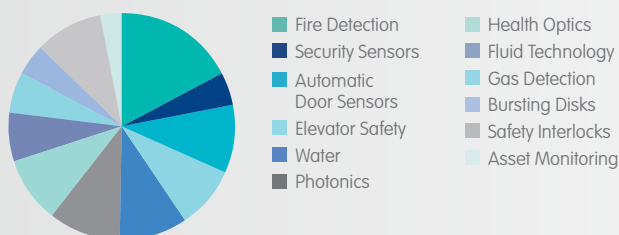
To satisfy customer needs, we have an extensive and growing worldwide network of sales channels. We also have increasingly geographically

diverse manufacturing facilities such as our factories in Tunisia and the Czech Republic and the new manufacturing hub in Shanghai, China. Although Halma has its origin in the UK, last year 77% of our revenue was from customers outside of the UK.

See page 71 for geographical revenue analysis.

Product and market diversity

REVENUE BY SUB-SECTOR 2009



Our businesses sell into a varied range of specialised niche markets. The combination of a very broad customer base, the diversity of our technology and a wide product portfolio provides demand resilience. The quality of our market-leading products and their continual renewal ensures that our strong market positions are defensible. The largest single market we sell into, fire detection, represents approximately 17% of revenue.

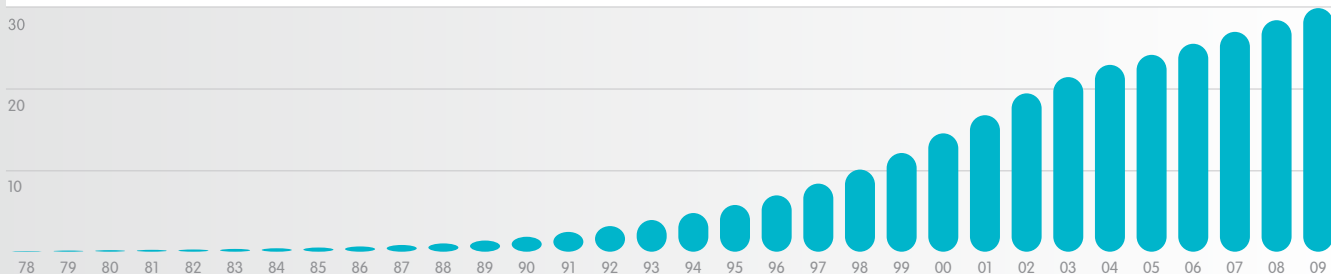
Our largest customer accounts for under 3% of revenue and our top 20 customers account for less than 20% of revenue.

See page 70 for sector revenue analysis.

Financial strength

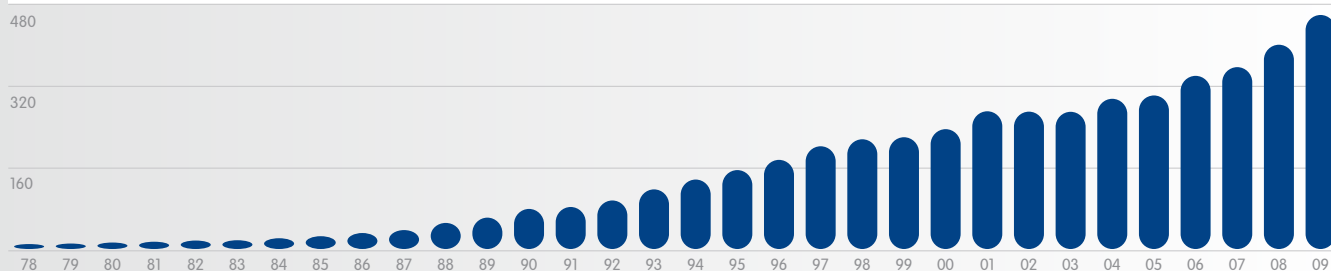
DIVIDENDS PAID AND PROPOSED

£million



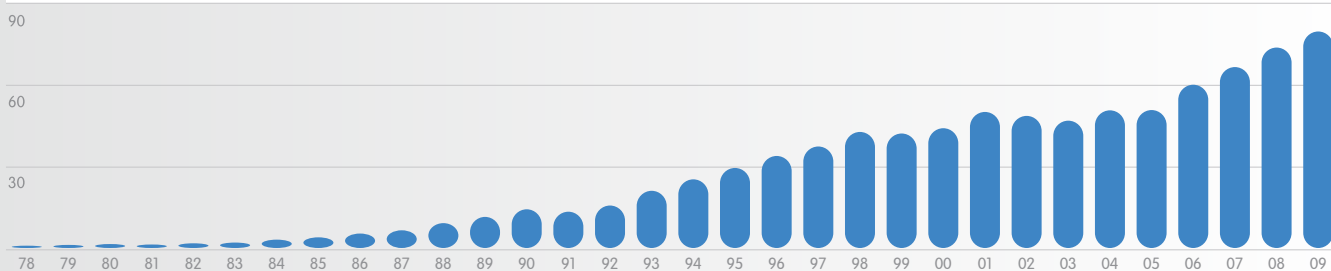
TOTAL REVENUE

£million



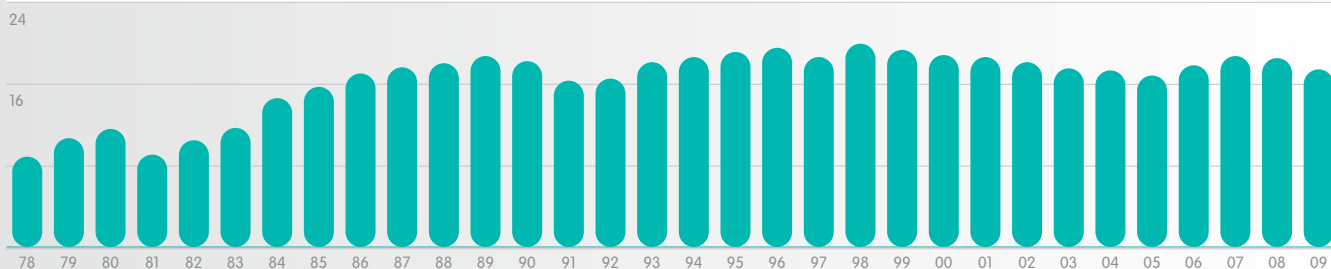
ADJUSTED PROFIT BEFORE TAXATION¹

£million



RETURN ON SALES¹

%



¹ See Financial highlights