Petrofac

2007
Final results
March 2008

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Ayman Asfari

Group Chief Executive

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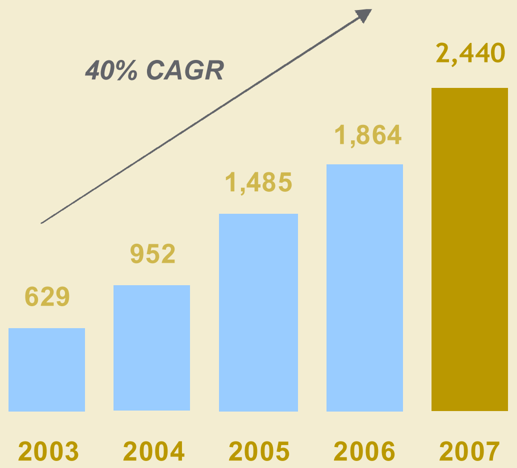
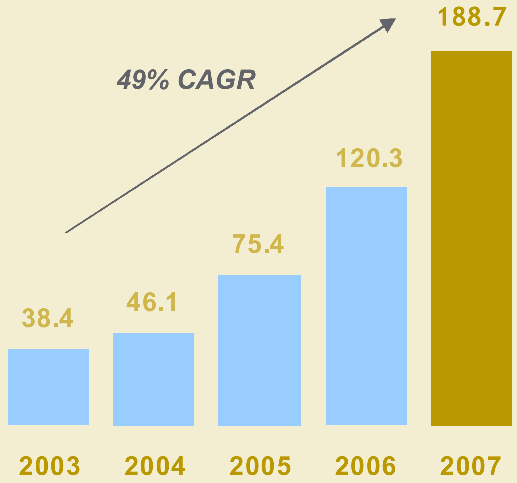
Headlines

- Strong revenue and net profit margin growth across all three divisions in 2007
- Growth in backlog to US$4.4 billion; healthy bidding pipeline for 2008
- Demand for our services remains underpinned by long-term market drivers
- Well positioned for strong growth over the medium term

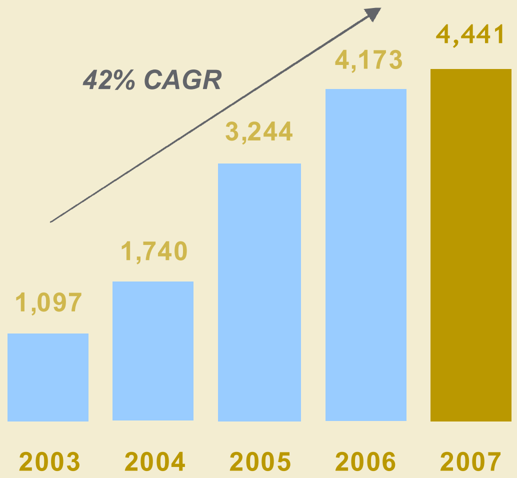
Revenue (US$m)



Net profit (US$m)



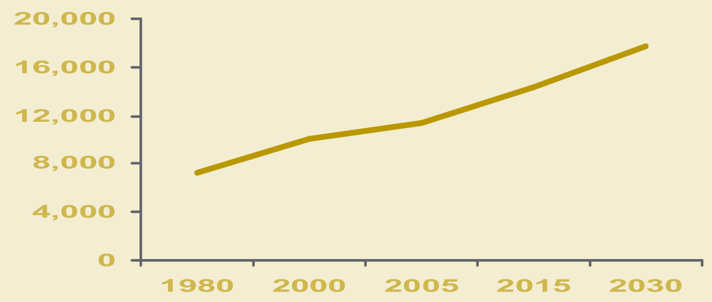
Backlog (US$m)



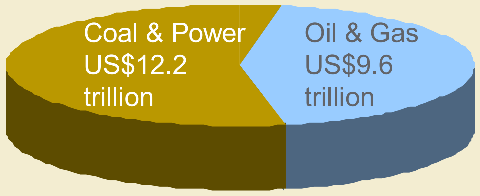
Operating environment: strong demand for our services

- Demand for group's services driven by global energy demand:
  - expected to increase 55% over the period 2005-2030
  - 44% of increase expected to be met by oil & gas sector
- IEA estimates US$9.6 trillion of investment in oil & gas production capacity from 2006-2030
- Equivalent to US$384 billion p.a.
- Petrofac well placed to participate in multi-phase multi-billion developments in core markets

World Energy Demand (mtoe)



Investment in Energy Infrastructure 2006-2030 (US$tn)



Source: World Energy Outlook 2007, International Energy Agency

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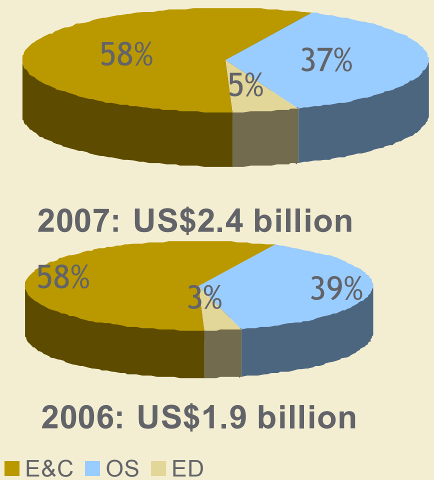
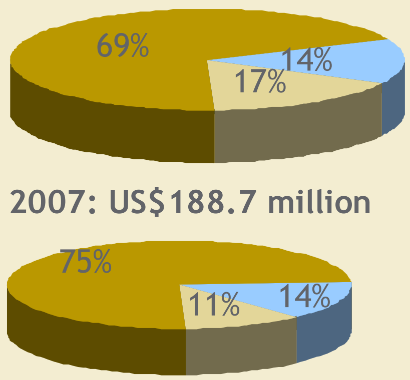
Divisional performance

- Good revenue growth in service divisions driven by new projects and contracts in service divisions and full year of Cendor production in ED
- Net profit margins increased across all three division due to strong operational performance
- Achieved significant expansion of capacity of group to position for further growth

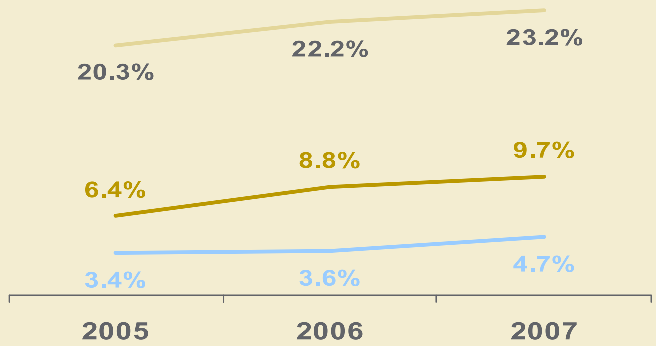
Revenue



Net profit

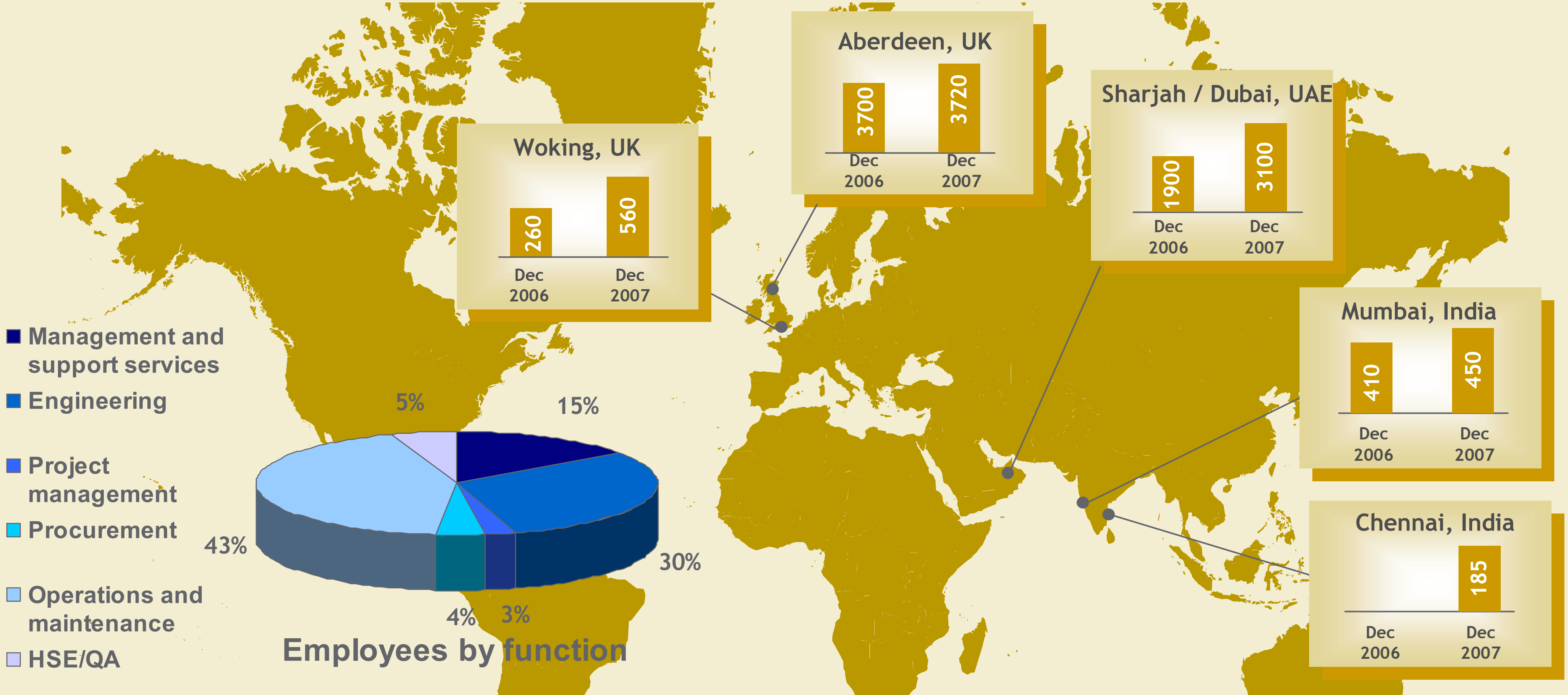


Net profit margin*



** ED excludes Cendor / UKCS / NT/P68 deferred tax credits and NT/P68 impairment; OS expressed on net revenue, adjusted to exclude amortisation and finance charges relating to acquisition intangibles and deferred consideration*

Positioning for further growth



- We now have approximately 9,600 employees (2006: 7,800)
- Growth driven by: E&C growth in Sharjah; new Chennai office; Woking - Karachaganak Phase III award; Dubai Petroleum contract

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Operational highlights: Karachaganak Phase III FEED award

- Phase III is group's largest FEED study to date
- Demonstrates Petrofac's capability to deliver FEED studies for world-scale projects
- Petrofac remains well positioned in Kazakhstan, including two of the three world-class developments (Kashagan and Karachaganak)

- Phase III key facts:
  - up to 450 engineering staff, predominantly in Woking
  - will require 700 kilometres of pipeline, 5,000 kilometres of cabling, 40,000 tonnes of structural steel
  - will process equivalent to 750,000 bpd of oil, LPG and gas

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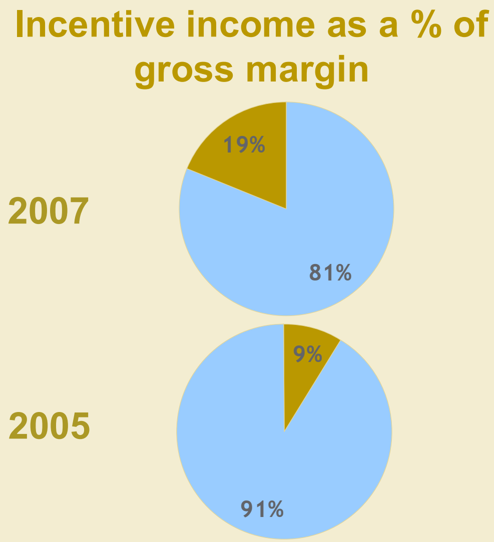
Operational highlights: Dubai Petroleum transition

- Safe and efficient transition of facilities in April 2007
- Facilities comprise four offshore fields, 70 platforms, 400 wells, 800 kilometres of pipelines and 1,100 personnel
- First government entity to exploit its reserves through direct contracting with service provider

- Strong operational performance in OS division increasingly driven through incentive income
- Incentive income more than doubled in two years to 19% of gross profit (2005: 9%)



Operational highlights: ED value creation – Don Area assets

- Final field development plans for Don Southwest and West Don submitted late 2007
- Northern Producer floating production facility secured to receive and process production from both fields
- ‘Fast track’ development plan targeting first oil in 2009
- 7 well drilling programme due to commence Q2 2008

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Operational highlights: ED value creation – Cendor PM304

- Achieved production on Cendor field of over 14,300 barrels per day, 98% uptime in 2007 and safe operation
- 2007 drilling programme completed; should extend peak production into 2009 and proved additional reserves
- Conceptual design study commenced for PM304 phase II
- Project demonstrates the group’s ability to create value through leveraging its service capability

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Operational highlights: ED value creation - Chergui

- Central processing facility due for mechanical completion by end of Q1 2008; pipeline due for completion early Q2 2008
- Value created through leveraging group's engineering, construction, commissioning and operations capability
- First gas now expected before end Q2 2008; revised timing due to legacy issues with subcontractors

Keith Roberts

Chief Financial Officer

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Headline Numbers – Income Statement

	2007 US$m	2006 US$m	
Revenue	2,440.3	1,863.9	↑ 31%
Operating profit	248.5	169.5	↑ 47%
Net finance income	9.7	2.1	
Profit before tax	258.2	171.7	
Income tax expense	(69.5)	(51.3)	
Profit for the year	188.7	120.3	↑ 57%
EBITDA	301.3	198.3	↑ 52%
ROCE	47.3%	45.7%	
EPS (diluted)	54.1 cents	34.9 cents	↑ 55%
Full year dividend	16.4 cents	8.8 cents	↑ 86%

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Headline Numbers – Cash Flow

	2007 US$m	2006 US$m	
Net cash flows from operating activities	331.4	301.7	
Net cash flows used in investing activities	(139.2)	(34.5)	
Net cash flows used in financing activities	(63.7)	(32.6)	
Net increase in cash and cash equivalents	128.5	234.6	
Cash and cash equivalents at 31 December*	565.9	437.4	↑ 29%

**Excludes restricted cash and is net of bank overdrafts*

	2007 US$m	2006 US$m
Less interest-bearing loans and borrowings	(110.1)	(117.2)
Add back bank overdrafts**	15.7	20.5
Net cash	471.5	340.7

***As netted-off against cash and cash equivalents and included in interest-bearing loans and borrowings*

	2007	2006
Gross gearing ratio***	22.7%	36.1%

******Interest-bearing loans and borrowings/total equity*

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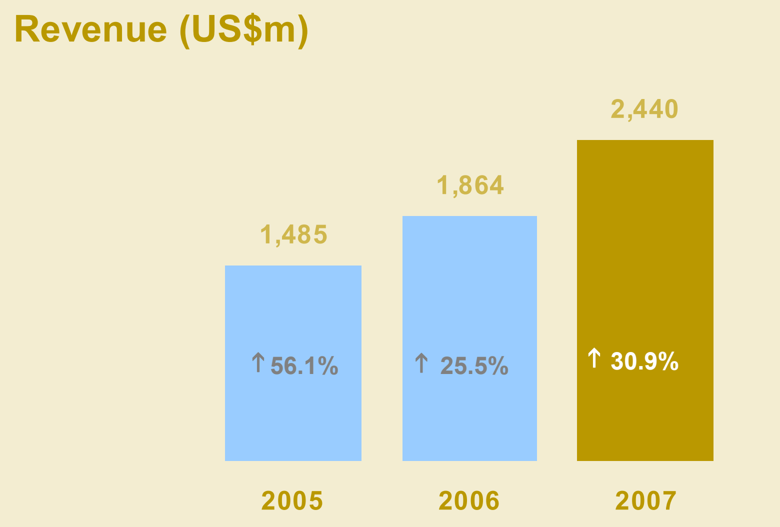
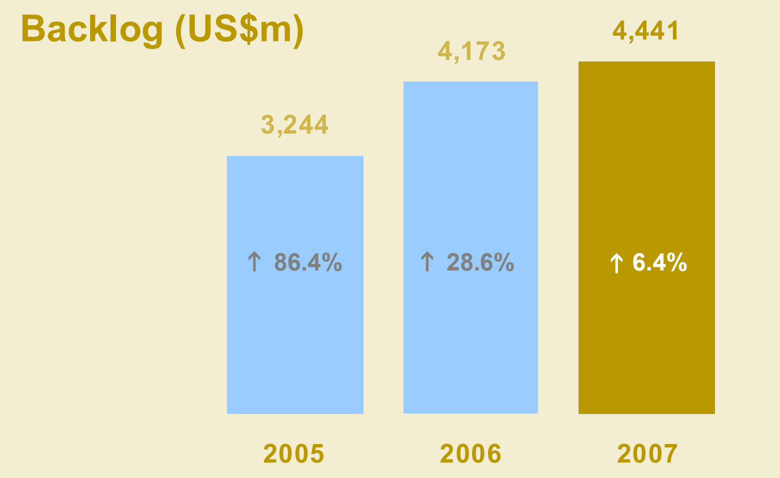
Group Overview

- Revenue increased by 31%, reflecting strong growth in all three divisions
- Geographic split
  - Middle East & Africa 45%
  - Europe 33%
  - CIS & Asia 21%

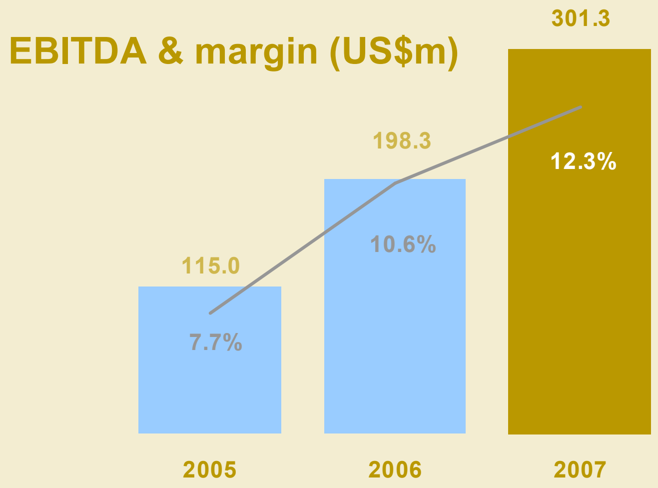
- Backlog increased to US$4.4 billion at 31 December 2007
- Represents 1.8 times 2007 revenue (2006: 2.2 times)

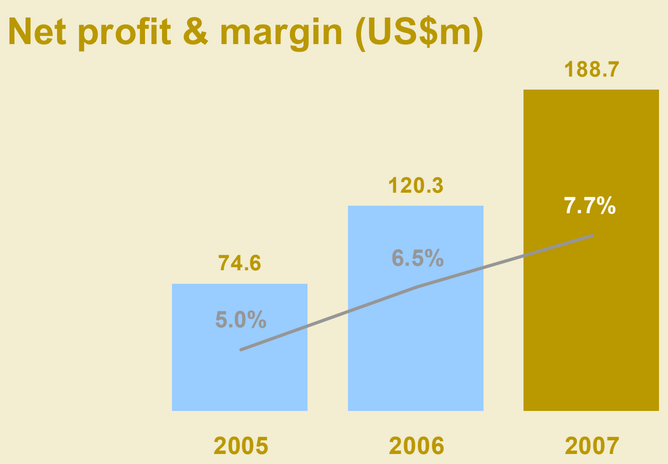




Group Overview

- EBITDA increased by 52%
- EBITDA margin increased from 10.6% to 12.3%:
  - higher E&C and OS margins
  - greater contribution from high margin ED division
- Net profit increased by 57% to US$188.7 million
- Net profit margin increased from 6.5% to 7.7% due to increased net profit margins across all three divisions





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Effective Tax Rate 2007

Tax charge by division	FY 2007 reported	1H 2007 reported	2007 estimate
Engineering & Construction	21.9%	27.0%	35%
Operations Services	30.8%	27.3%	29%
Energy Developments	35.5%	50.1%	35%

- Engineering & Construction division reported a lower ETR than estimated as there was a higher proportion of profits earned in lower tax jurisdictions
- Operations Services reported a slightly increased ETR due to provisions being marginally higher than anticipated at the half year
- Energy Developments ETR is lower than estimated at the half year due to the recognition of UKCS pre trading expenditure and a net credit in respect of Australian activities

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Effective Tax Rate, estimated for 2008

Tax charge by division	2008 estimate	2007 reported
Engineering & Construction	23%	21.9%
Operations Services	25%	30.8%
Energy Developments	46%	35.5%

- Steady Engineering & Construction ETR due principally to a similar mix of income as 2007
- Operations Services estimated ETR lower due to increased proportion of profits arising from outside UKCS
- Energy Developments estimated ETR higher due to the impact of the recognition of UKCS pre trading expenditure and a net credit in respect of Australian activities in 2007

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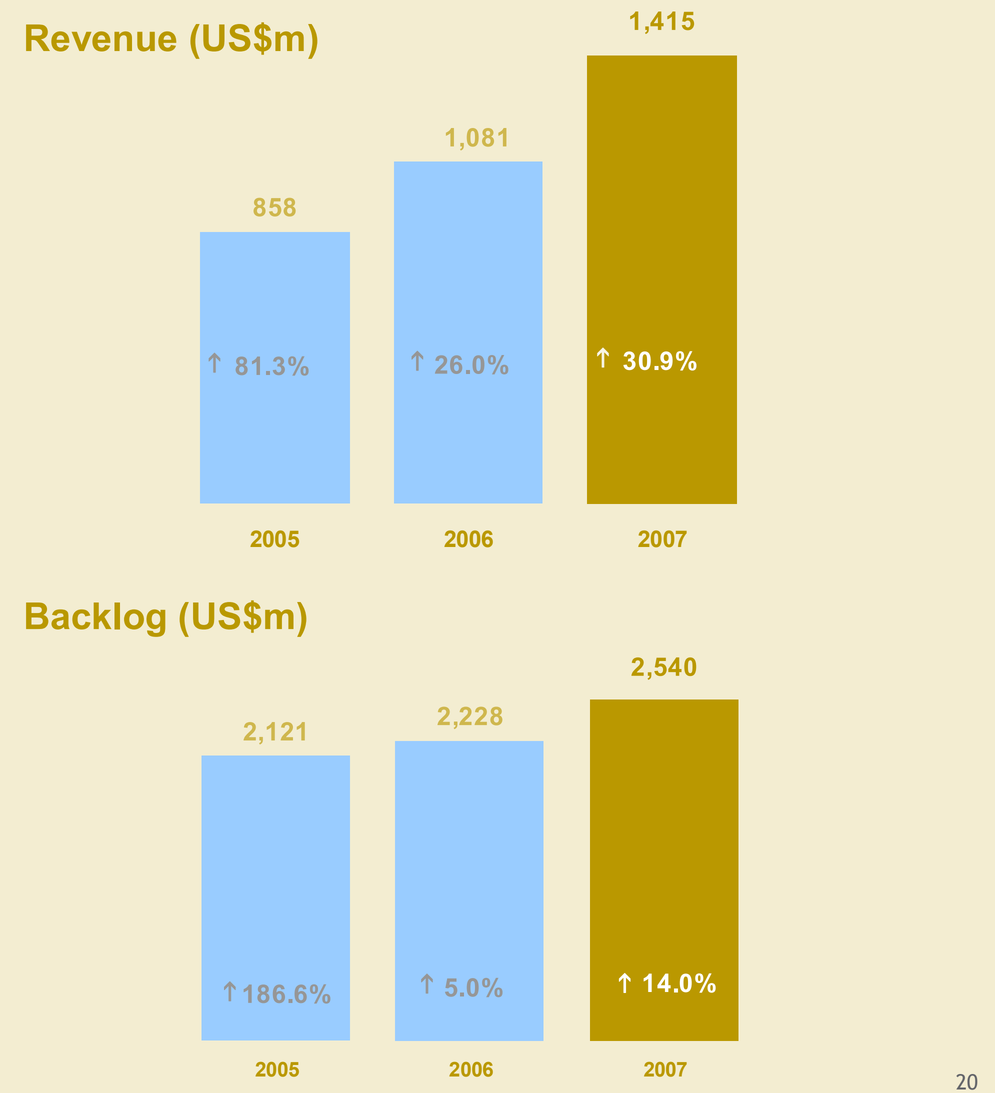
Engineering & Construction

- Revenue increased 31%
  - High levels of activity on lump-sum EPC projects
  - Strong growth in reimbursable engineering business
- Backlog increased to US$2.5 billion
- Key awards during the year included:
  - In Salah gas compression project
  - Kashagan third oil train



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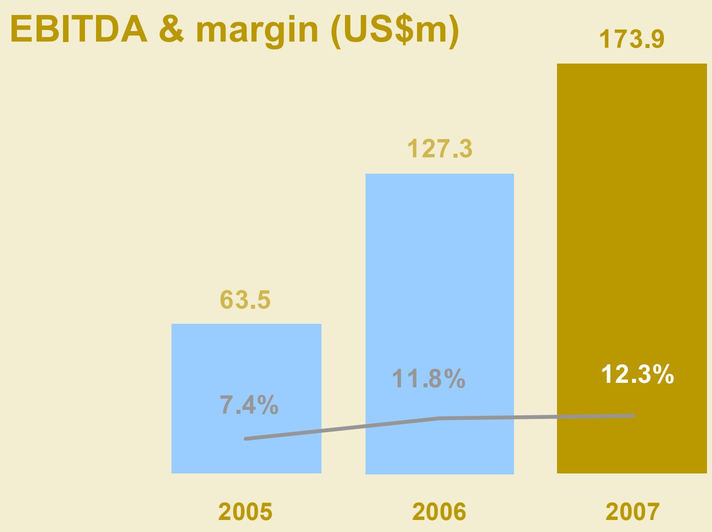
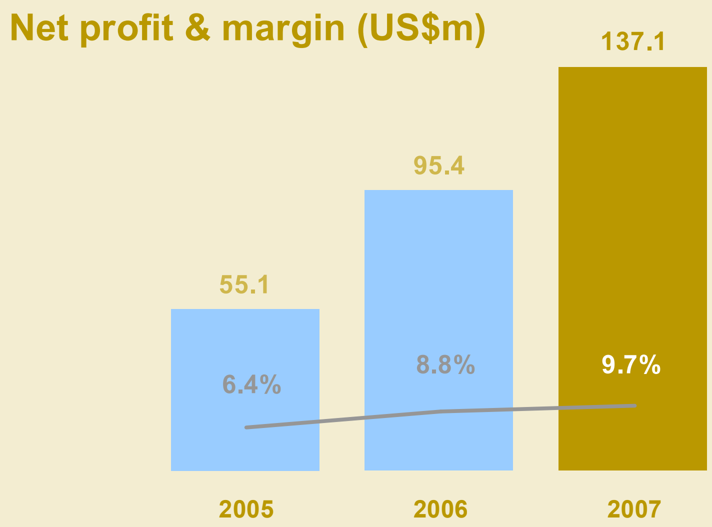
Engineering & Construction

- EBITDA increased by 37% due to revenue growth and margin improvement
- EBITDA margin improvement due to continued strength in execution performance
- EBITDA margin improvement lower than net profit margin improvement due to a reduction in the division's ETR from 24.8% to 21.9%
- Net profit increased by 44%
- Net profit margin increased from 8.8% to 9.7%





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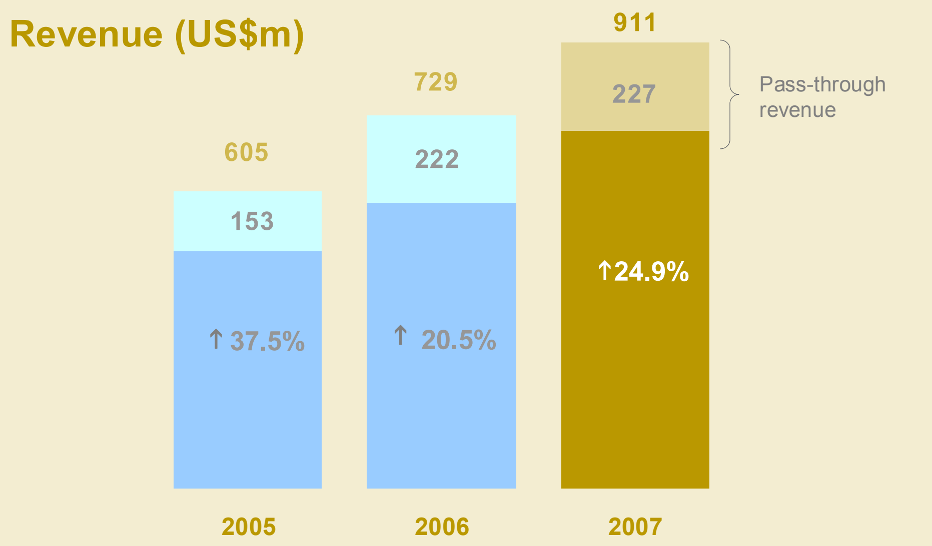
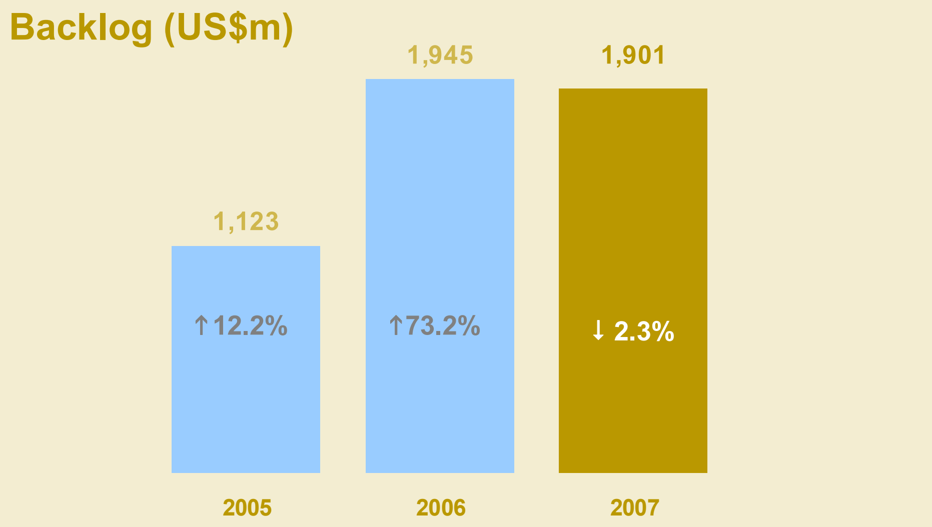
Operations Services

- Revenue increased by 25%; net revenue increased by 35%*
- Revenue growth driven by:
  - commencement of Dubai petroleum contract
  - international growth in Training and Brownfield engineering
  - acquisition of SPD
- Backlog remained steady





* *Revenue excluding pass-through revenue*

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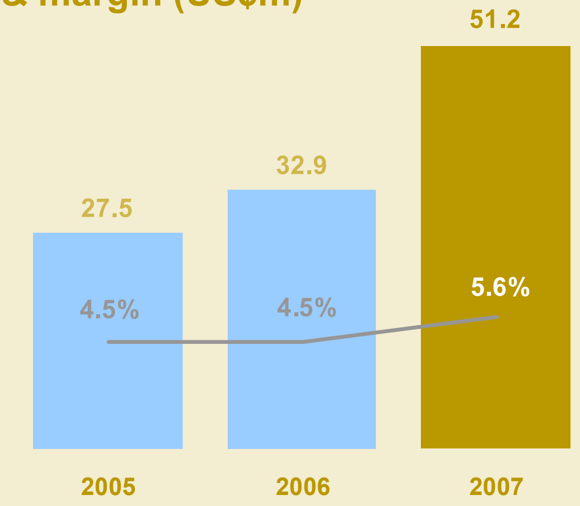
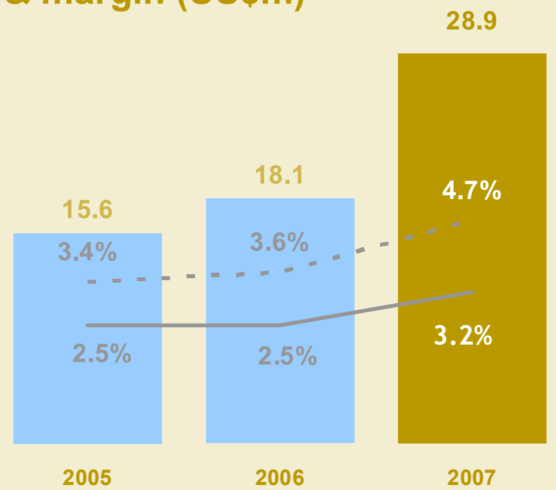
Operations Services

- EBITDA increased by 56%
- EBITDA margin increased from 4.5% to 5.6% due to good operational performance
- Net profit increased by 60%
- Net profit margin increased from 2.5% to 3.2%
- Excluding amortisation and finance charges due to acquisition intangibles and deferred consideration, underlying net margin increased to 4.7%

EBITDA & margin (US$m)



Net profit & margin (US$m)



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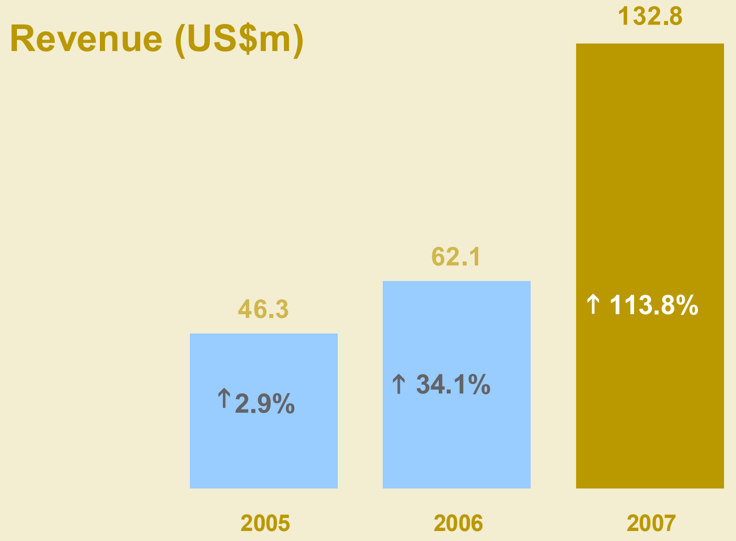
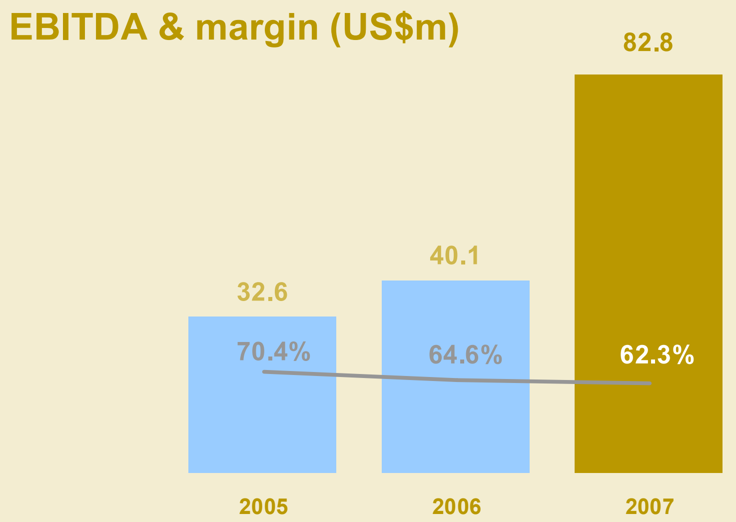
Energy Developments

- Revenue more than doubled due to full year contribution from Cendor (came on stream September 2006)



- EBITDA increased from US$40.1m to US$82.8m due to full year contribution from Cendor
- Ohanet gas plant and Kyrgyzstan refinery continue to perform well



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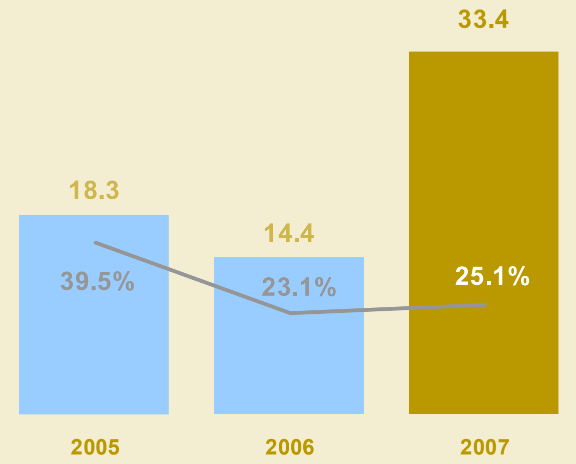
Energy Developments

- Net profit increased to US$33.4 million due to full year contribution from Cendor
- Net profit is after:
  - Recognition of a net tax asset of US$11.3 million in relation to UKCS pre-trading expenditure and NT/P68 expenditure
  - A provision of US$8.7 million against the division’s investment in NT/P68 following uncertainties surrounding the commercial outcome

Net profit & margin (US$m)



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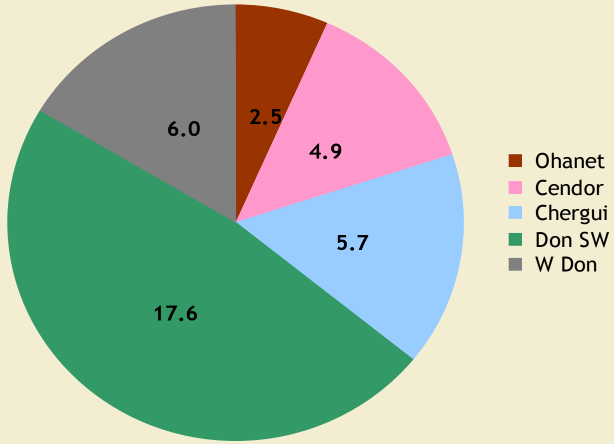
Energy Developments

- Reserve table presented in results for first time
- Proven and probable reserves increased significantly during 2007, from 8.8 million barrels of oil equivalent to 36.7 million
- Growth principally from recognition of reserves for Don Southwest, West Don and Chergui

Proven plus probable reserves



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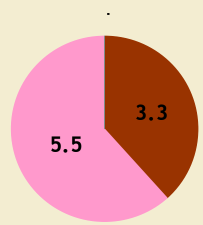

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Outlook

- Engineering & Construction
  - Strong backlog provides good visibility for current year revenue
  - Backlog, awards and bidding pipeline should underpin strong growth in 2008 and beyond
  - Net profit margins should be broadly maintained at recent levels
- Operations Services
  - Continued growth in 2008; full year contribution from Dubai Petroleum (2007:9 months)
  - Progress towards targeted net profit margins* of 5% in medium-term
- Energy Developments
  - Drilling programme planned for Cendor PM304; further development options to be assessed
  - First gas on Chergui before middle of 2008
  - Significant progress planned for Don Area assets: drilling programme, refurbishment of production vessel and installation of subsea infrastructure with a view to first oil in 2009
  - Further investments expected during 2008

→ **Well positioned for continued strong growth over the medium term** ←

** On revenue excluding pass-through revenue*

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Notes

- EBITDA means earnings before interest, tax, depreciation and amortisation and is calculated as profit from operations before tax and finance costs adjusted to add back charges for depreciation, amortisation and impairment.
- Net profit (for the group) means profit for the year from operations attributable to Petrofac Limited shareholders.
- Backlog consists of the estimated revenue attributable to the uncompleted portion of lump-sum engineering, procurement and construction contracts and variation orders plus, with regard to engineering services and facilities management contracts, the estimated revenue attributable to the lesser of the remaining term of the contract and, in the case of life of field facilities management contracts, five years. To the extent work advances on these contracts, revenue is recognised and removed from the backlog. Where contracts extend beyond five years, the backlog relating thereto is added to the backlog on a rolling monthly basis. Backlog includes only the revenue attributable to signed contracts for which all pre-conditions to entry have been met and only the proportionate share of joint venture contracts that is attributable to Petrofac. Backlog does not include any revenue expected to arise from contracts where the client has no commitment to draw upon services from Petrofac. Backlog is not an audited measure. Other companies in the oil and gas industry may calculate these measures differently.
- The group reports its financial results in US dollars and, accordingly, will declare any dividends in US dollars together with a Sterling equivalent. Unless shareholders have made valid elections to the contrary, they will receive any dividends payable in Sterling. Conversion of the 2007 final dividend from US dollars into Sterling is based upon an exchange rate of US$2.0146:£1, being the Bank of England Sterling spot rate as at midday, 7 March 2008.
- Return on capital employed is defined as the ratio of earnings before interest, tax, amortisation and impairment charges (EBITA) divided by average capital employed, being average total assets employed less average total current liabilities.
- Operating profit means profit from operations before tax and finance costs.

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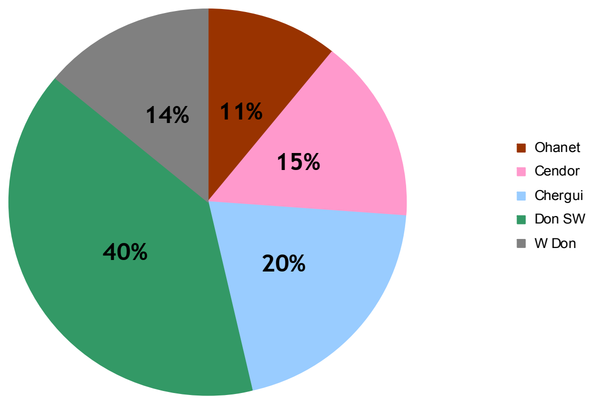
Appendix 1: Energy Developments reserves

Proven reserves



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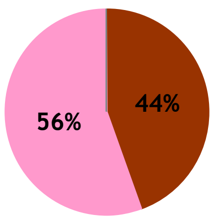

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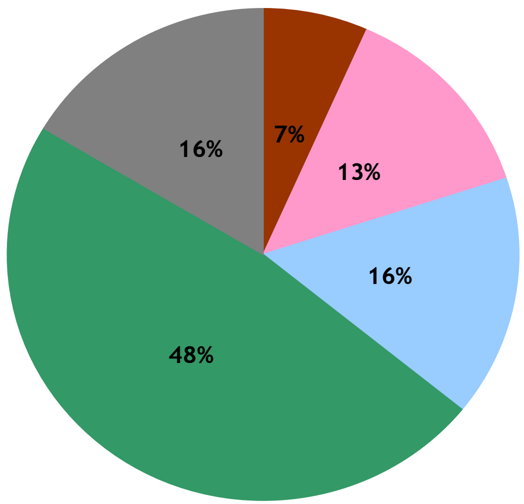
Proven plus probable reserves



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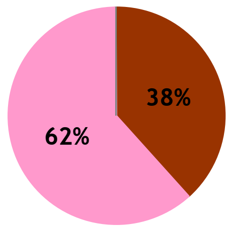

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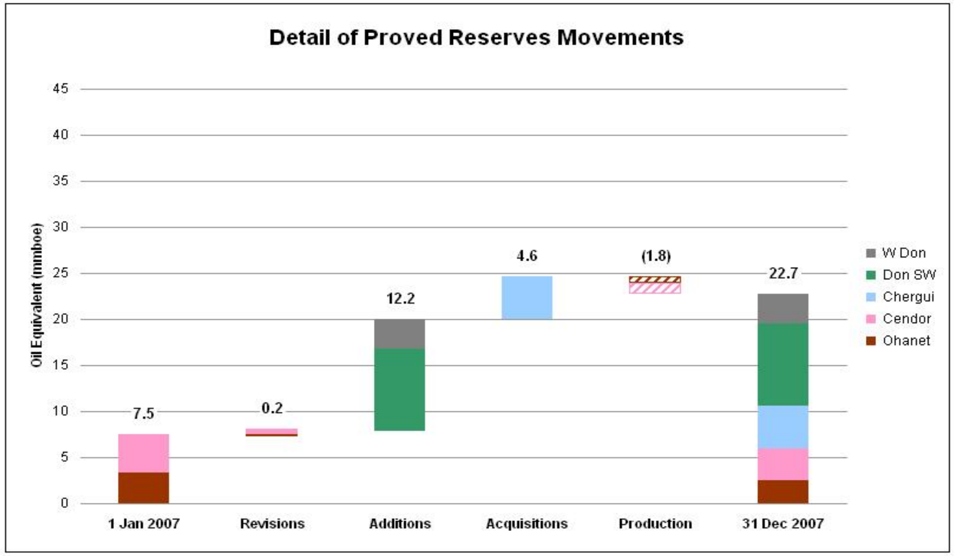
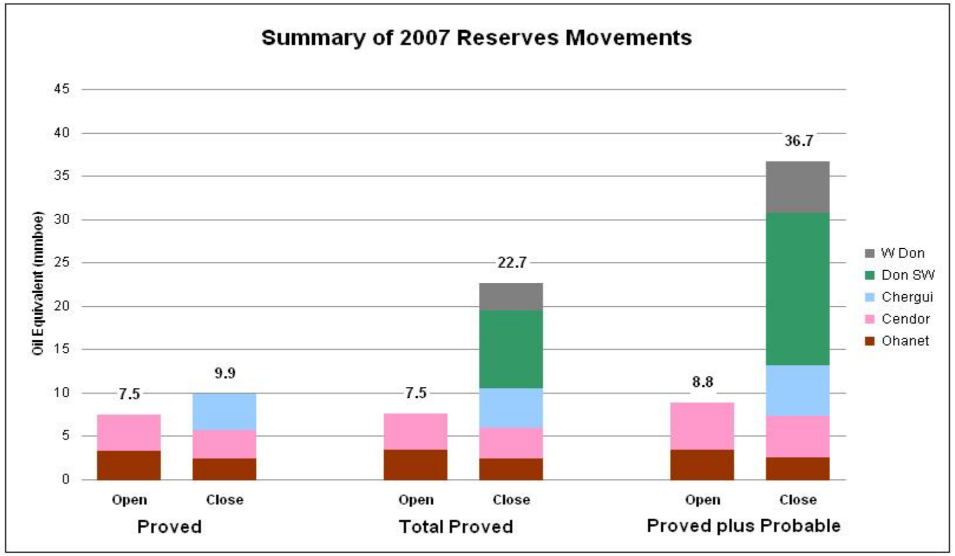
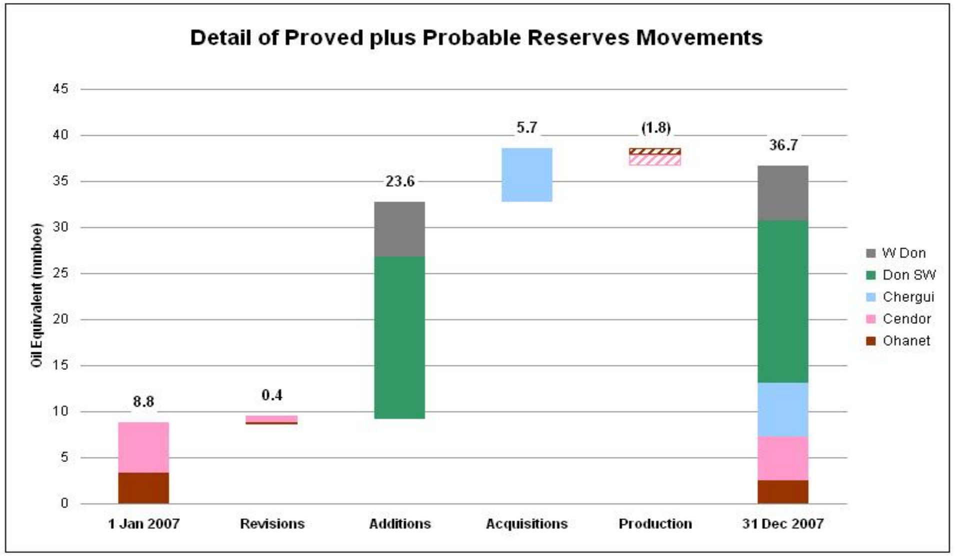
Appendix 2: Energy Developments reserves by project

Petrofac Energy Developments

2007 Reserves Movements







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Appendix 3: five largest ongoing EPC contracts

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