



 Energy, Marketing
& Transportation

GIBSON ENERGY



 International
Shipbroking

GIBSON SHIPBROKERS

 Global
Oilfield Services

HUNTING ENERGY

 Petrochemical
Equipment

HUNTING ENERGY FRANCE

 Exploration
& Production

TENKAY RESOURCES

Hunting PLC - Excellence in Energy Services

 Others

www.hunting.plc.uk

2004 Results Summary (excluding exceptional items)

Turnover £1,255m (2003 – £1,195m) + **5%**

EBITDA £52.9m (2003 – £47.4m) + **12%**

Operating profit £30.8m (2003 – £25.2m) + **22%**

Profit before tax £25.2m (2003 – £21.1m) + **19%**

Tax charge 38% (2003 – 35%)

Basic EPS 12.7p (2003 – 6.4p) + **98%**

Dividend 4.5p (2003 – 3.5p) + **29%**



Turnover and Operating Profit

Year End

December 2004

December 2003

	<u>Turnover</u>	<u>Operating Profit</u>	<u>Turnover</u>	<u>Operating Profit</u>
	£m	£m	£m	£m
Gibson Energy				
- Marketing	835	7	780	6
- Other	168	8	160	8
Hunting Energy	160	9	169	5
Tenkay	8	3	10	4
Others	<u>84</u>	<u>4</u>	<u>76</u>	<u>2</u>
	<u>1,255</u>	<u>31</u>	<u>1,195</u>	<u>25</u>



Financial

	December <u>2004</u>	December <u>2003*</u>
Net Borrowings	£131m	£175m
Gearing	111%	149%
Interest Cover	3.9x	3.2x

*** For 2003, Preference Share Capital has been included as debt and the preference dividend is included in interest.**



Capital Expenditure

	<u>2004</u>	<u>2003</u>
	£m	£m
Gibson Energy	9	12
Hunting Energy	5	7
Tenkay	7	7
Other Activities	<u>1</u>	<u>2</u>
	<u>22</u>	<u>28</u>
Split:		
Maintenance	13	17
New business	<u>9</u>	<u>11</u>
	<u>22</u>	<u>28</u>

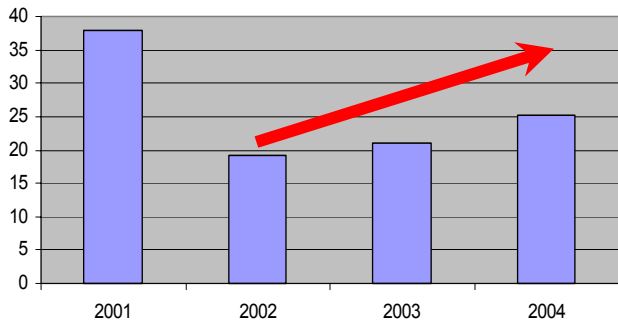


Free Cash Flow

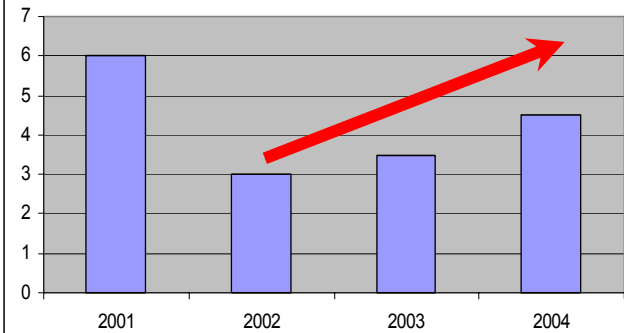
	<u>2004</u> £m	<u>2003</u> £m
Cash from operations	43	49
Tax	7	(2)
Capital Expenditure	(22)	(28)
Dividends & Interest etc.	<u>(10)</u>	<u>(14)</u>
FREE CASH FLOW	<u>18</u>	<u>5</u>



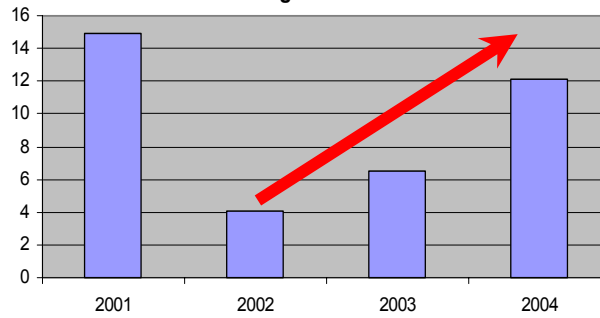
Profit Before Tax



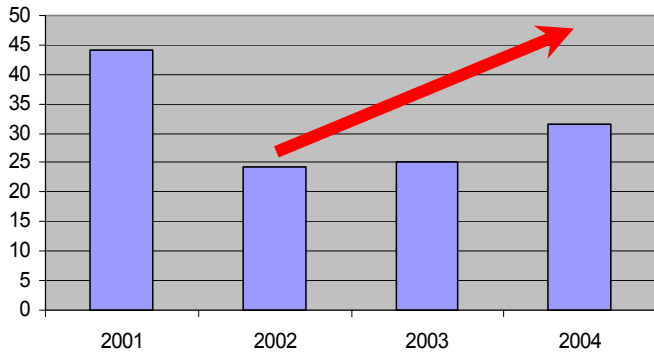
Dividend



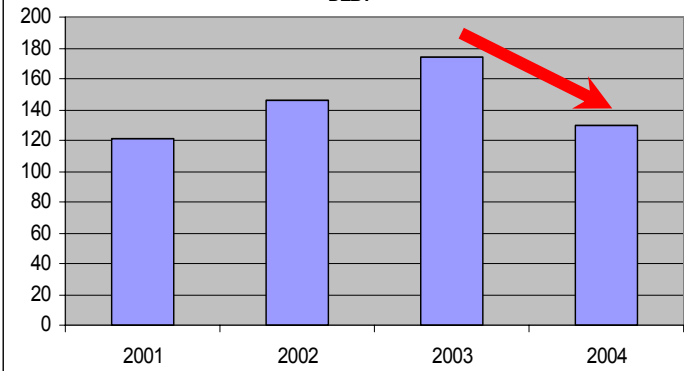
Earnings Per Share



Operating Profit



DEBT



Hunting PLC

Corporate Theme

- ❖ **Proprietary Products**
- ❖ **Strategic Geographical Locations**
- ❖ **Market Share Leadership**
- ❖ **Asset Utilisation**



Hunting PLC

Proprietary Products

- ❖ **31 Patents – including but not limited to:**
 - **Premium Connections for High Pressure, High Temperature Oil and Gas Completions**
 - **Annular Pressure Release Systems for Deepwater Exploration**
 - **“Clear-Run” Environmentally Friendly Thread Compound**
 - **“HydraTite Seal” for Waterline Repairs**
 - **Mud Motors for Faster Drilling of Oil and Gas Wells**



Strategic Geographical Locations



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Market Share Leadership

- ❖ **Gibson Energy – Oil Transportation**
- ❖ **Gibson Shipbrokers – Tanker Broking**
- ❖ **Iberia Manufacturing – Drill Rod**
- ❖ **Hunting Performance – Mud Motors**
- ❖ **Canwest – Propane**
- ❖ **Huaxin – Premium Connections (China)**



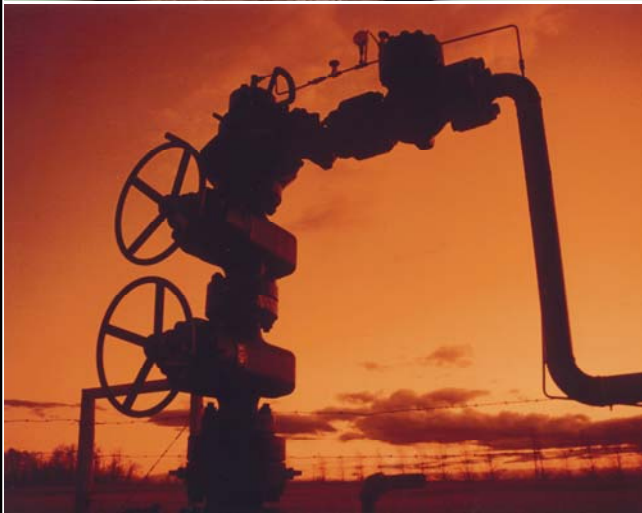
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Asset Utilisation

- ❖ **Gibson Energy:** Utilises its strategically located pipelines, storage tanks, terminals and truck transportation to combine crude oil of a lesser value with diluent to blend into a crude oil stream of higher value.
- ❖ **Hunting Energy:** Combines tubulars, premium connections, protectors, accessories and service personnel, to provide a seamless vertical pipeline package for oil and gas operators.



Gibson Energy



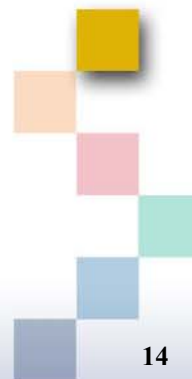
Gibson Energy

Operating Profits:

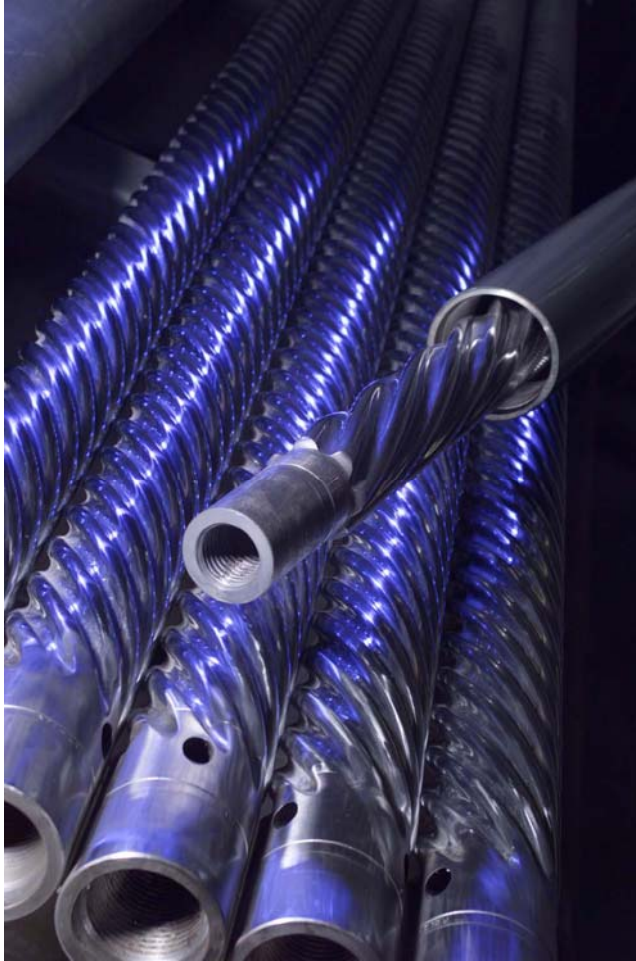
	December	December
	<u>2004</u>	<u>2003</u>
	£m	£m
Marketing	7.3	5.6
Truck Transportation	2.5	1.3
Oil and Gas Operations	4.8	3.9
Canwest and Natural Gas Liquids	1.6	2.3
Moose Jaw Asphalt	<u>(1.5)</u>	<u>0.5</u>
	<u>14.7</u>	<u>13.6</u>

Highlights:

- ❖ **Edmonton North Terminal (July 2005)**



Hunting Energy



Hunting Energy

Operating Profits:

	December <u>2004</u> £m	December <u>2003</u> £m
Tubulars	3.6	0.3
Manufacturing	2.1	3.4
International	<u>3.1</u>	<u>1.7</u>
	<u>8.8</u>	<u>5.4</u>

Highlights:

- ❖ **Mud Motor Expansion**
- ❖ **Deepwater Facility**
- ❖ **Houston Manufacturing Facility**



Tenkay Resources



Tenkay Resources

Operating Profits:

	December <u>2004</u> £m	December <u>2003</u> £m
Oil and Gas Drilling Activities	<u>3.2</u>	<u>4.3</u>

Highlights:

- ❖ Participated in 19 wells with 13 successes
- ❖ 9 Gas, 2 Oil and Gas, 2 Oil
- ❖ Produced 411,000 Net Equivalent Barrels
- ❖ Year End Reserves 2.3m Net Equivalent Barrels



Gibson Shipbrokers



Gibson Shipbrokers

Operating Profits:

	December <u>2004</u> £m	December <u>2003</u> £m
Broking Activities	<u>2.5</u>	<u>1.8</u>

Highlights:

- ❖ **Excellent crude and dry cargo markets**
- ❖ **Integration of acquisition**

Hunting Energy France

Operating Profits:

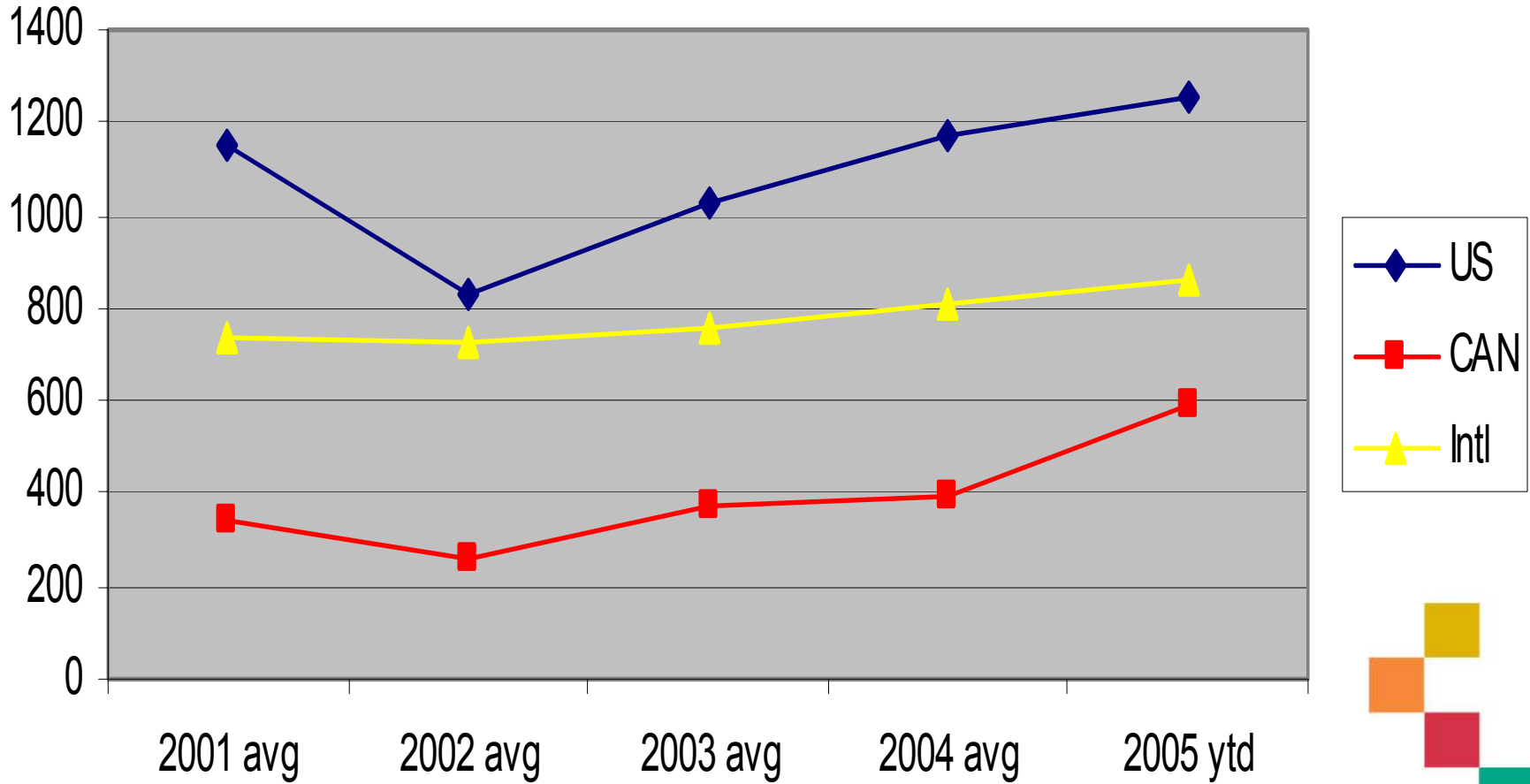
	December <u>2004</u> £m	December <u>2003</u> £m
Petroleum Equipment	<u>1.0</u>	<u>0.7</u>

Highlights:

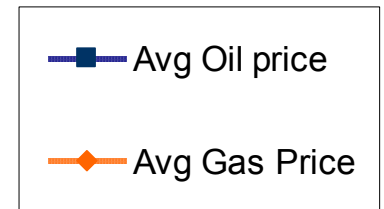
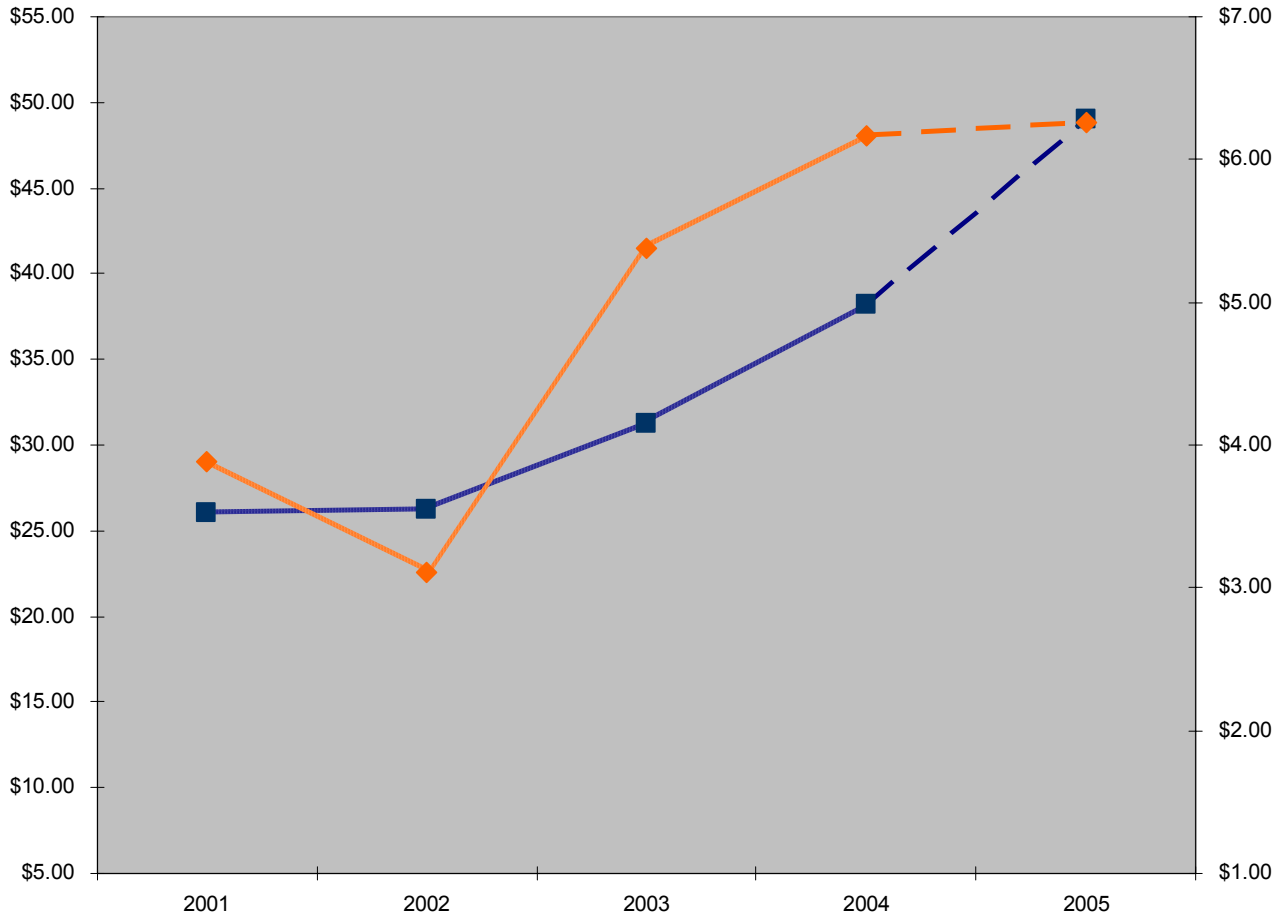
- ❖ **Roforge – Forged and Cast Valves**
- ❖ **Interpec – Advanced Pumps, Turbines and Compressors**
- ❖ **Larco – Liquid Storage Solutions, Automated Systems for Oil Depot Management.**



Rig Count



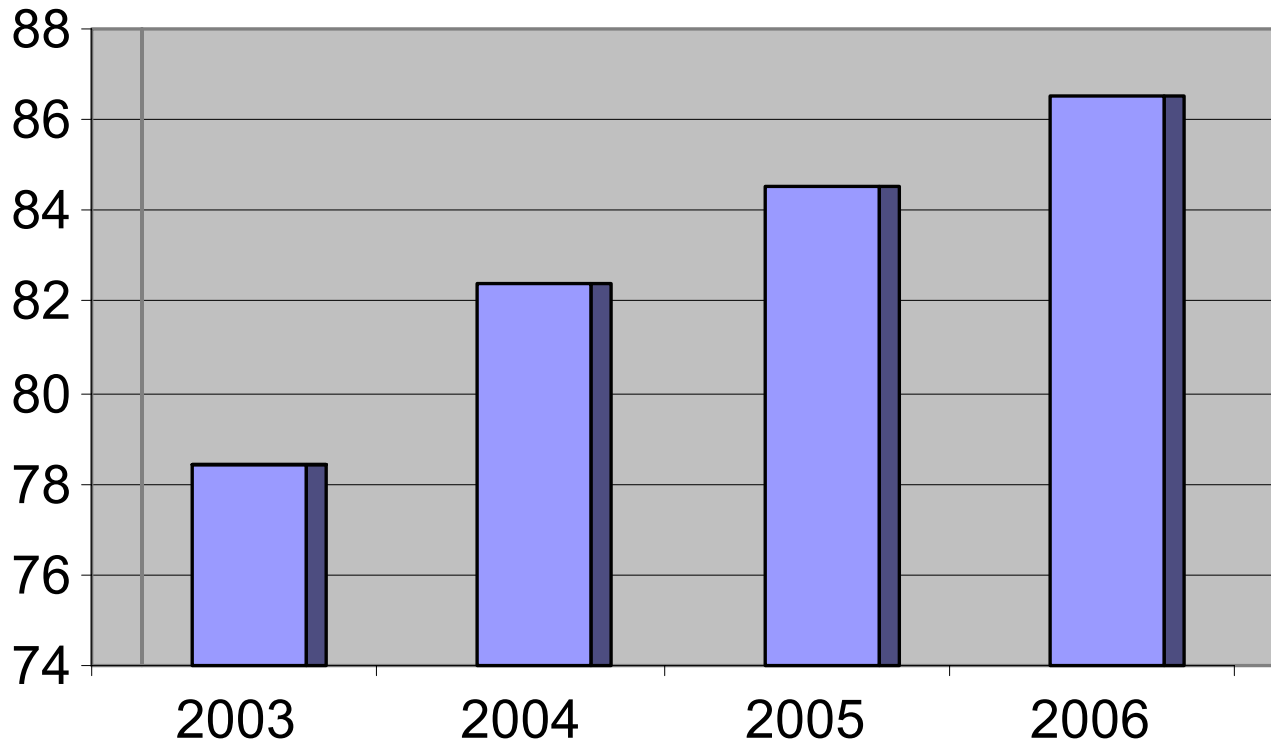
Avg Gas and Avg Oil Prices



Source: Spears and Associates & World Oil



World Oil Demand



Conclusion:

- ❖ Oil and Gas Prices Remain Strong
- ❖ Oil Demand is Nearing 85 MBL / Day
- ❖ Global Excess Production Capacity Less than 2%
- ❖ 65% of Existing Gas Production is in Decline
- ❖ Most Stranded Gas is Undiscovered
- ❖ Capacity

Oil Processing Capacity
Pipelines and Tankers
Refineries
Drilling Rigs

} Near 100%

- ❖ Manpower is Declining
- ❖ Average Oil Reserve Replacement is 75% (Historically Above 100%)
- ❖ China and India Energy Needs Increasing



Outlook

Hunting in 2005 will:

- ❖ **Continue its Debt Reduction Efforts**
- ❖ **Enhance Product Offerings Within Business Units**
- ❖ **Improve Margins via Increased Operational Efficiencies**
(Hunting Energy Services Operations currently running at 24/6)
- ❖ **Optimise Earnings Through Market Fundamentals**
- ❖ **Explore Opportunities Beyond Organic Growth**
- ❖ **Invest in our “Human Capital”**



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annual results