

HAMPSON GROUP ESTABLISHES STATE-OF-THE-ART MANUFACTURING FACILITY IN BANGALORE

Hampson Industries PLC, the UK-based, international precision engineering group, today inaugurated their state-of-the-art manufacturing facility in Bangalore. The facility was inaugurated by the Deputy British High Commissioner

The new facility marks Hampson's first investment in India and the first outside the UK and USA. With operations now spanning three continents, Hampson's business philosophy combines extensive investment in process capability, with innovative manufacturing and supply chain strategies. The Group's principal focus is to create global competitive advantage for its key customers and the new facility in Bangalore is a foundation stone of this strategy.

Commenting on the importance of the new facility, Hampson Group Chief Executive, Kim Ward, said:

"We are tremendously proud of this new facility which will become a showcase for our manufacturing and engineering expertise as well as the focal point for our strategy to provide competitive advantage to our customers. The new facility provides us with not only a competitive cost base but a strategic manufacturing location in its own right, from which we intend to capitalise on the burgeoning growth opportunities in the domestic Indian and Far East markets."

"The first phase of this investment will see the manufacture of high precision, close tolerance components for automotive customers, primarily for turbocharger applications. Hampson is a world leader in this field and through combining strong technical support from our existing UK operations with the innovative ideas and engineering flair of our Indian associates we look forward to achieving further step change in our ability to add value."

"The new facility has been deliberately designed in campus form to allow for modular expansion of up to a further three manufacturing units, each of approximately 50,000sq.ft. As part of the second phase of our investment plan, it would be our intention to further extend our manufacturing capabilities to produce precision and engineered components, structures and assemblies for our global aerospace customers. Subsequent phases will be activated to increase our manufacturing capacity in the medium term as customer demand levels grow."

Speaking at the Inauguration Ceremony, the Deputy High Commissioner said "The UK is a world leader in both the Aerospace and Automotive industries. This is shown in our front-end design and innovation work in both these sectors. The UK is home to 60% of the world's motor sport industry and in Aerospace, the UK remains the largest industry outside the USA. It's all about innovation and technology. Hampson represents the cutting-edge of these industries. I am, therefore, proud that this UK Group decided to invest in India, specifically Bangalore. But this is no surprise. UK investment and expertise combined with India's engineering skills and abilities are a great partnership that will tap in to the rapidly growing domestic and Asian markets."

President of Hampson's Precision Automotive Division, responsible for this first wave investment, Mr. Roger Mackrill, further commented:

"Hampson is already a global leader in the manufacture and supply of small, close tolerance components and assemblies for the turbocharger industry. As we look to expand our manufacturing capacity with the progressively increasing demand of our global customers, our new facility will service not only export markets, but will also manufacture products for rising domestic and South East Asia demand."

"There are presently approximately 600,000 vehicles fitted with turbochargers in India with market projections signalling a tripling of demand by 2010. Each of our existing major customers has set-up operations in Asia and we look forward, as a locally-based partner, to establishing a new paradigm in manufacturing quality, cost and delivery to support their own considerable growth and development expectations."

About Hampson Group

Hampson Industries PLC is listed on the main market of the London Stock Exchange. The Group's operations are structured into four segments, operating from 15 manufacturing sites and facilities spanning three continents. Through this global footprint, the Group provides leading-edge fully integrated manufacturing solutions for :

- Aero structural components and assemblies
- Performance-critical components for gas turbine engines
- Close tolerance components & rotating assemblies for turbochargers, fuel delivery & hydraulic applications
- Precision tooling systems for large, composite aero structures
- Specialist engineering & industrial components

The Group was founded in the UK in 1947 as an electro-mechanical engineer and was first listed on the London Stock Exchange in 1968. Approximately two-thirds of the Group's sales are derived from its aerospace activities, the balance from the specialist automotive and industrial markets.

Hampson has a clear growth strategy based on both organic and external investment and has, over the last two years, completed three acquisitions in the USA (Texstars Inc, Coast Composites Inc, Lamsco West Inc.) as well as invested \$20m in a new purpose-built aerospace assembly and high speed machining cell to support the revolutionary new Eclipse 500 very light jet (www.eclipseaviation.com).

Investment in the new facility in Bangalore is a core element of the Group's growth strategy and marks Hampson's commitment to developing a centre of manufacturing expertise in the Asian continent.

The Group has over 1600 employees world-wide, of which 1200 are based on the UK over 400 in the USA and in India.

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