



H1 2008 RESULTS

Further profit growth

Today's agenda

- Highlights H1 2008
- Profile
- Strategy
- Financial review
- Operational review
- The Aalberts Industries share
- Outlook
- Questions and answers



Highlights 1st half year

- Increase in **revenue** ▲6% to EUR 913 million (▲10% at constant exchange rates)
- **Organic revenue growth** approximately ▲3% (at constant exchange rates)
- **Operating profit (EBITA)** ▲9% to EUR 106 million
- Increase in **net profit** by more than 6% to EUR 67 million
- **Earnings per share** ▲3% to EUR 0.65 (▲7% at constant exchange rates)
- Maintained **solid balance sheet ratios**
- **Acquisitions** in Flow Control (Henco and Zawgaz) and Industrial Services (IDE, Duralloy and Cotterlaz)



Profile

Profile

AALBERTS INDUSTRIES N.V.

Decentralised structure
with significant operational management responsibilities
Small holding; 12 employees

Small team of group managers reporting to the holding

Approx. 11,900 employees

INDUSTRIAL SERVICES

30% of total revenue

Subcontracting of products &
processes for high-grade
industries

FLOW CONTROL

70% of total revenue

Products & systems to
connect, distribute and
regulate liquid and gas flows

Markets Industrial Services

Subcontracting of products & processes for high-grade industries

Aircraft industry

Semiconductor industry

Automotive industry

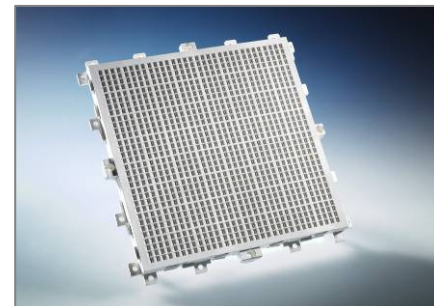
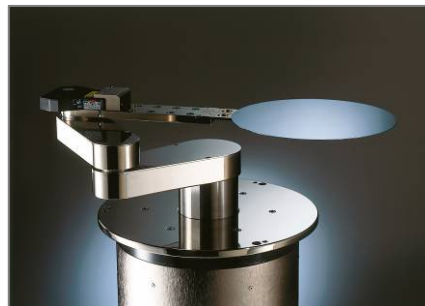
Defence industry

Medical industry

Precision engineering

Communication industry

And other.....



Markets Flow Control

Products & systems to connect, distribute and regulate liquid and gas flows

Construction

District heating

Automotive industry

Medical industry

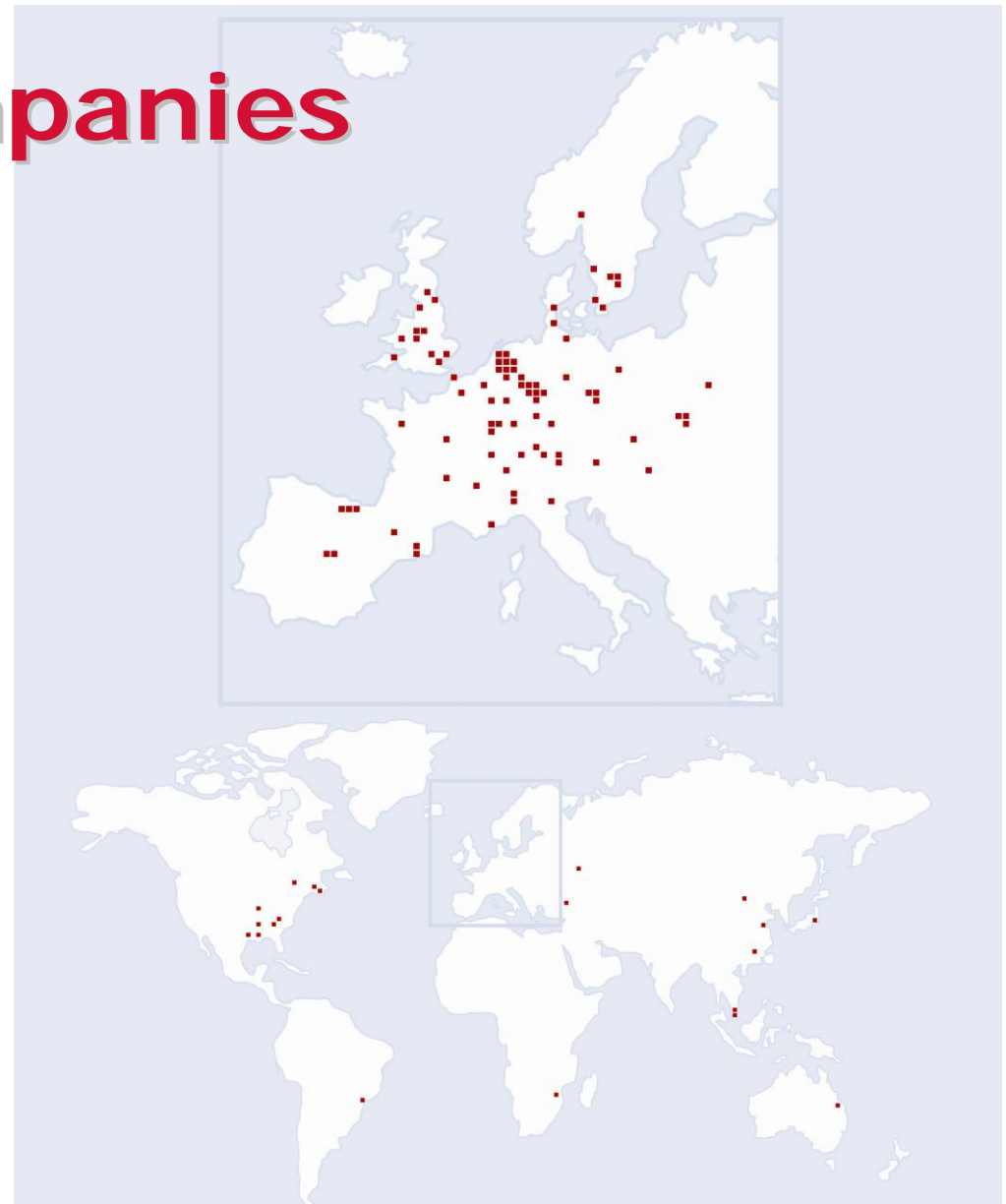
Irrigation industry

And other



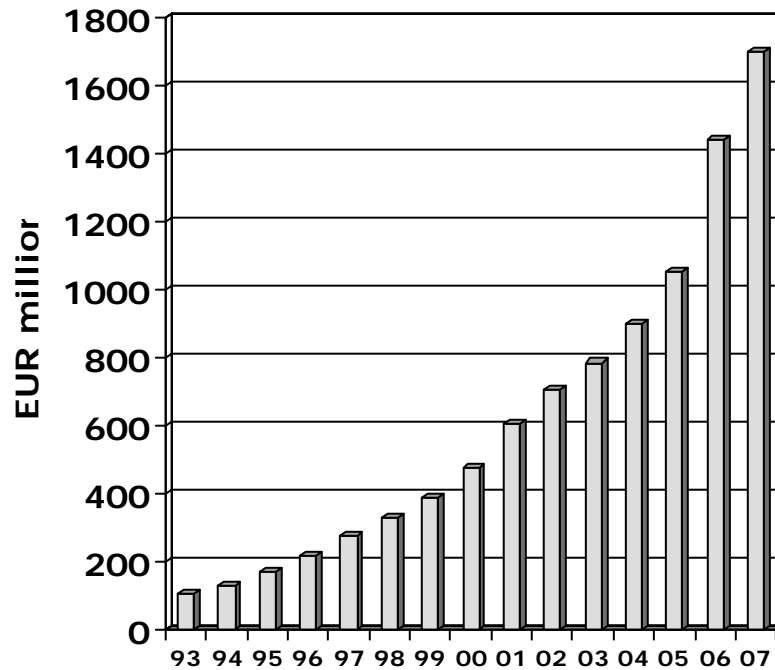
Operating companies

- Worldwide presence
- More than 150 own production locations including sales offices
- A few own “sales-only” offices

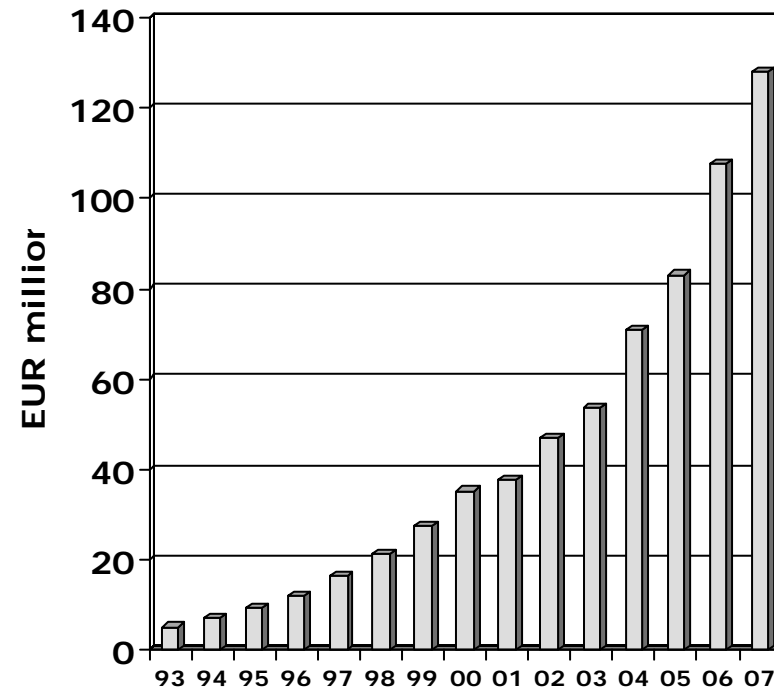


One of its kind

Revenue



Net profit





Strategy

Focus on growth

Long term objectives

- Stable growth in earnings per share
 - Average growth in past 10 years >17%
- Continuous growth in revenue
 - Organic growth and acquisitions
- Wide spread of results
 - Lowering risk for shareholders
- Leading market positions
 - One of the top 3 in all relevant markets
- Solid balance sheet ratios





Financial Review

Solid balance sheet ratios

Financial highlights

- Impact of currencies:
 - US dollar ▼ 13% compared to 1H07
 - British pound ▼ 13% compared to 1H07
 - Total negative impact of 4% on revenue and earnings per share
- Continued focus on working capital
- Net debt and finance cost increased mainly due to acquisitions
- Maintaining solid balance sheet ratios



Income statement

In EUR x million	H1 2008	H1 2007	Change
Revenue	913.2	858.6 ▲	6%
Operating profit (EBITDA)	139.8	127.2 ▲	10%
Depreciation	(34.1)	(29.9) ▲	14%
Operating profit (EBITA)	105.7	97.3 ▲	9%
Net finance cost	(20.2)	(14.9) ▲	36%
Tax expenses	(17.8)	(19.0) ▼	6%
Minority interest	(1.0)	(0.7) ▲	
Net profit before amortisation	66.7	62.7 ▲	6%



Balance sheet

ASSETS In EUR x million	30-06- 2008	31-12- 2007	30-06- 2007
Goodwill	445.1	308.8	311.0
Other intangible assets	151.4	101.4	107.1
Property, plant and equipment	494.6	444.9	425.0
Deferred income tax assets	16.7	16.3	12.6
Non-current assets	1,107.8	871.4	855.7
Inventories	403.8	328.2	372.4
Trade receivables	314.4	205.4	290.5
Other current assets	35.8	29.4	29.0
Cash and cash equivalents	0.1	0.1	0.1
Current assets	754.1	563.01	692.0
TOTAL ASSETS	1,861.9	1,434.5	1,547.7



Balance sheet

EQUITY AND LIABILITIES In EUR x million	30-06- 2008	31-12- 2007	30-06- 2007
Total equity	581.3	538.2	490.0
Non-current borrowings	614.1	350.8	395.2
Cumulative preference shares	10.2	10.2	20.4
Employee benefit plans	31.6	32.3	34.7
Deferred income tax liabilities	37.4	23.5	22.9
Other provisions	5.6	7.1	7.8
Non-current liabilities	698.9	423.9	481.0
Current borrowings	261.9	164.0	251.9
Trade and other payables	190.0	190.3	189.3
Other current liabilities	129.8	118.1	135.5
Current liabilities	581.7	472.4	576.7
TOTAL EQUITY AND LIABILITIES	1,861.9	1,434.5	1,547.7

Cash flow statement

In EUR x million	H1 2008	H1 2007
Operating profit (EBIT)	100.1	92.7
Depreciation	34.1	29.9
Amortisation	5.6	4.6
EBITDA	139.8	127.2
Provisions & direct equity movements	(9.3)	1.0
Changes in working capital	(107.7)	(114.7)
Cash flow from operations	22.8	13.5

Cash flow statement

In EUR x million	H1 2008	H1 2007
Net finance cost	(25.0)	(17.2)
Taxes	(21.2)	(13.4)
Acquisitions	(266.9)	(111.3)
Capital expenditure (net of disposals)	(54.6)	(45.6)
Issue of share capital	-	54.6
Long-term debt contracted	306.9	92.4
Repayments on long-term debt	(35.3)	(31.9)
Dividend paid	(15.7)	(12.5)
Other movements	(1.9)	(0.8)
Net cash flow	(90.9)	(72.2)

Key figures

In EUR x million	H1 2008	H1 2007	Change
Operating profit as a % of revenue	11.6	11.3	▲
Tax rate in %	22.3	24.5	▼
Earnings per share (EUR x 1)	0.65	0.63	▲ 3%
Average number of shares issued	103.3	100.1	▲ 3%
Number of employees (x 1)	11,899	11,215	▲ 6%
Capital expenditure	51.1	47.7	▲ 7%
Interest cover	5.2	6.6	▼
Total equity	581.3	490.0	▲ 19%
Capital base as a % of total assets	31.8	33.0	▼
Net debt (including preference shares)	886.2	667.5	▲ 33%
Net debt / Total equity (Gearing)	1.5	1.4	▲

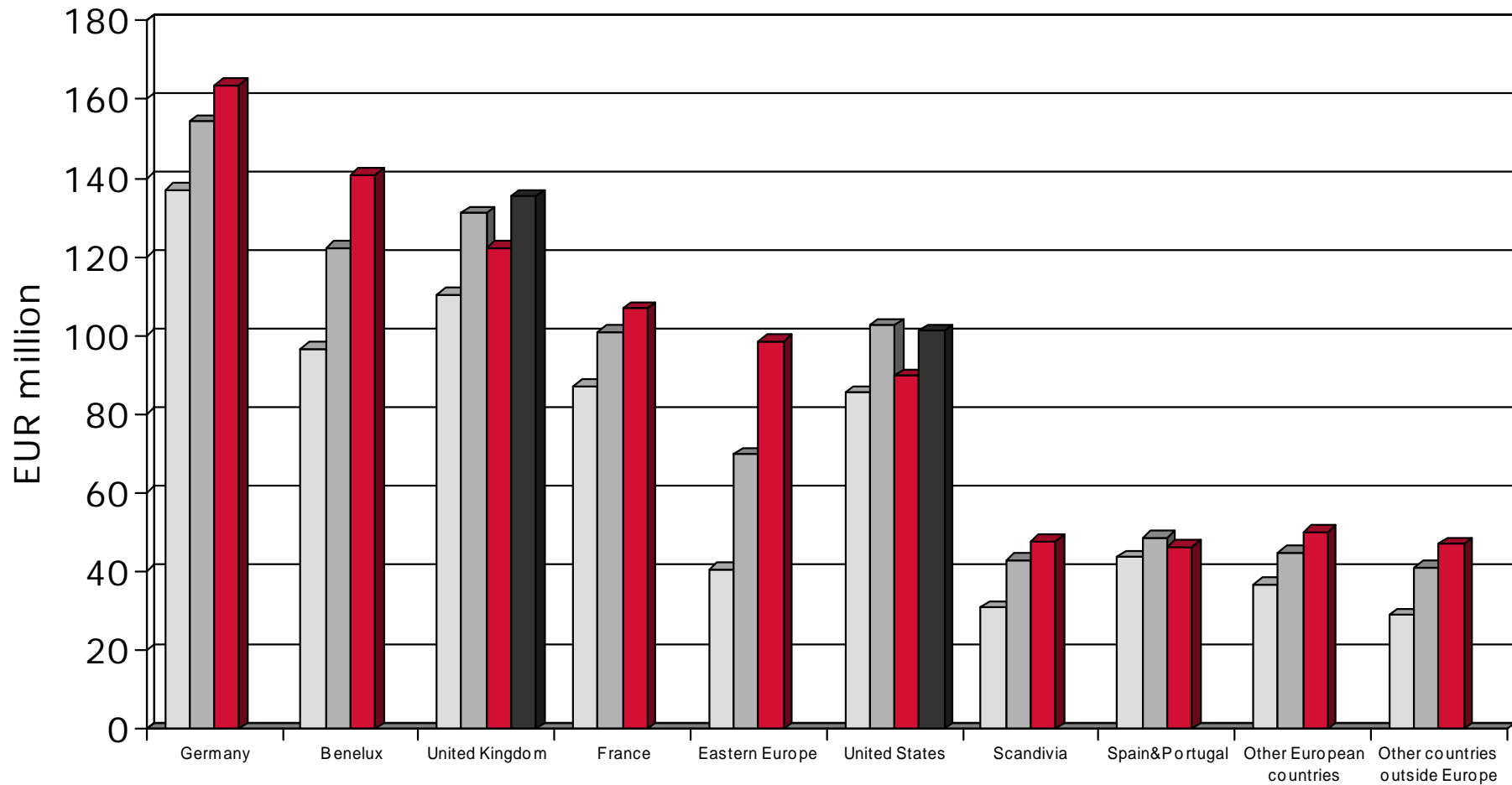


Operational Developments

Spread of revenue

	H1 2008 in EUR million	H1 2008 as a % of revenue	H1 2007 in EUR million	H1 2007 as a % of revenue
Germany	163.7	17.9	154.4	18.0
Benelux	140.8	15.4	122.3	14.2
United Kingdom <i>1H08* EURm: 135.3</i>	122.3	13.4	131.0	15.3
France	106.9	11.7	101.0	11.8
Eastern Europe	98.6	10.8	69.8	8.1
United States <i>1H08* EURm: 101.1</i>	89.8	9.8	102.5	11.9
Scandinavia	47.7	5.2	43.0	5.0
Spain & Portugal	46.2	5.1	48.6	5.7
Other European countries	50.1	5.5	44.9	5.2
Other countries outside Europe	47.1	5.2	41.1	4.8
TOTAL	913.2	100	858.6	100

Spread of revenue



□ 1H06 □ 1H07 ■ 1H08 ■ 1H08*

H1 2008

*at constant exchange rates

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Industrial Services

Industrial Services highlights

- Organic revenue growth approx. ▲2%
- Total revenue growth ▲10%
- Aerospace, medical and mechanical engineering industries =/▲
- Semiconductor industry ▼
- Capex projects based on long-term customer contracts



Acquisitions Industrial Services



- Revenue: EUR 32 million
- DEU/USA/JAP
- 1 January 2008



- Revenue: EUR 7 million
- CHE/DEU
- 1 January 2008

**COTTERLAZ**

- Revenue: EUR 16 million
- FRA/CHN/SLV
- 1 January 2008



Industrial Services

In EUR x million	H1 2008	H1 2007	Change	
Revenue	282.3	257.6	▲	10%
Operating profit (EBITA)	32.4	30.9	▲	5%
EBITA as a % of revenue	11.5	12.0	▼	
Capital expenditure	19.4	18.1	▲	4%
Depreciation	15.3	14.5	▲	6%
Average number of employees (x1)	4,783	4,386	▲	9%



Flow Control

Flow Control highlights

- Organic revenue growth approx. ▲ 3%
- Acquisition of Henco
- Operational profit in US ▲, revenue ▼
- Spanish market ▼
- Robust UK market ▲
- Eastern European market ▲
- Capex mainly used for capacity extension



Flow Control acquisitions



- Belgium
- Consolidation: APR08
- Annual revenue EUR 105 million



- Poland
- Consolidation: MAY08
- Annual revenue EUR 7 million



Flow Control

In EUR x million	H1 2008	H1 2007	Change
Revenue	630.9	601.0	▲ 5%
Operating profit (EBITA)	73.3	66.4	▲ 10%
EBITA as a % of revenue	11.6	11.1	▲
Capital expenditure	31.7	29.6	▲ 7%
Depreciation	18.8	15.4	▲ 22%
Average number of employees (x 1)	6,858	6,303	▲ 9%





The Aalberts Industries share

The Aalberts Industries share

	HY 2008	FY 2007	FY 2006	FY 2005	FY 2004	FY 2003
Average trading volume <i>(in EUR 1,000)</i>	9,701	8,324	4,908	2,384	1,743	565
Closing share price* <i>(in EUR)</i>	12.00	13.60	16.38	11.21	8.93	5.13
Earnings per share*	0.65	1.26	1.09	0.85	0.73	0.57
Share price / EPS		10.8	14.9	13.2	12.2	9.1
Shares in issue <i>(in million)</i>	103.3	102.0	98.2	97.6	96.8	94.8
Market capitalisation <i>(in EUR million)</i>	1,240	1,387	1,609	1,095	865	488

*rounded after share split 4:1 May 2007



Outlook

Outlook

Given Aalberts Industries' position in the various markets, the Management Board anticipates – barring unforeseen circumstances – achieving a further increase in the earnings per share over 2008 as a whole.





Questions and Answers