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HAMPSON INDUSTRIES PLC ("Hampson", the "Company" or the "Group")

Acquisition of Odyssey Industries, Inc and Global Tooling Systems, Inc for a maximum total consideration of up to USD314 million (GBP158.2 million)

Proposed Placing and Open Offer to raise GBP65 million

Hampson Industries PLC, the international aerospace and precision engineering group, announces that it has conditionally agreed to acquire Odyssey Industries, Inc. ("Odyssey") and Global Tooling Systems, Inc. ("G.T.S.") for a total consideration of up to a maximum of USD314 million (GBP158.2 million) ("the Acquisitions"). The consideration will comprise a total initial consideration of USD253.3 million (GBP127.6 million) of which USD213.3 million (GBP107.5 million) will be satisfied in cash with the balance being satisfied by the issue of 14,874,312 new Ordinary Shares to the Vendors ("Consideration Shares") and further deferred contingent consideration of up to USD60.7 million (GBP30.6 million) payable in cash dependent on the combined performance of Odyssey and G.T.S. in the year ending 31 December 2008.

The Company is proposing a Placing and Open Offer of new Ordinary Shares at 135 pence per share to raise approximately GBP65 million gross of expenses to part-fund the Acquisitions. The Open Offer is to be carried out on the basis of 1 Open Offer Share for every 4 Existing Ordinary Shares held. The Placing and Open Offer has been fully underwritten by Investec Bank (UK) Limited ("Investec") and Arbuthnot Securities Limited ("Arbuthnot"). The balance of the purchase price is to be met through a combination of new banking facilities and the issuance of 14,874,312 Consideration Shares to the Vendors representing approximately 9.4 per cent. of the Enlarged Share Capital.

Highlights

- Odyssey and G.T.S., both based in Michigan, USA, are leading suppliers of large, close-tolerance tooling systems and services for the commercial and military aerospace industries. Odyssey specialises in particular in the design and manufacture of invar bond tools, which are used in the manufacture of large aero structural components made from carbon composite materials. G.T.S.'s principal areas of focus are complex, integrated tooling solutions for carbon composite component manufacture and high-level airframe assemblies. Odyssey and G.T.S. are suppliers to a number of the latest generation of commercial and military aircraft platforms, including the Boeing 787 and F-35 Joint Strike Fighter.
- The Acquisitions will substantially increase the Group's direct and indirect exposure to the increased use of carbon composites in aerospace manufacturing, building on its recent acquisitions in the US (Texstars, Inc., Coast Composites, Inc. and Composites Horizons, Inc.) and the investments it has already committed in this area.

- The Acquisitions, which are inter-conditional, are in line with Hampson's growth strategy of making carefully-targeted acquisitions of businesses with perceived high-performance potential and niche products or processes that are complementary to the Group's existing operations.
- The Board believes that the proposed Acquisitions, when positioned alongside the Group's current composite tooling component operations, would make Hampson the largest independent manufacturer of tooling systems for composite aero structures in the world (by revenue and customer penetration) and offer an excellent opportunity to accelerate the growth strategy that is already in place.
- The Acquisitions are expected to enhance earnings per share* in the year ending 31 March 2009. This statement should not, however, be interpreted to mean that the earnings per share* of Hampson following the Acquisitions will necessarily match or exceed the historical published earnings per share*.
- The Acquisitions and the Placing and Open Offer are subject to Shareholders' approval at an Extraordinary General Meeting ("EGM") scheduled for 1.30 pm on 3 June 2008.
- Investec and Arbuthnot are acting as joint financial advisers, underwriters, sponsors and brokers to the Company.

Kim Ward, Chief Executive of Hampson, commented:

"These acquisitions are consistent with our strategic push into high-margin, high-growth aerospace composite component and tooling systems manufacture over the last three years and we welcome our new colleagues to the Hampson Group. Odyssey and G.T.S. have very strong positions in the market sectors in which they operate and, in combination with our existing operations, make Hampson the leading independent aerospace tooling supplier in this global market. The acquisitions fit our rigorously applied criteria and we expect them to make a positive contribution to the Group's development from day one."

A circular will shortly be posted to Shareholders comprising a Prospectus containing details of the Placing and Open Offer and notice of an EGM of the Company (the "Circular").

Copies of the Circular will be submitted to the UK Listing Authority and will be available for inspection at the UK Listing Authority's Document Viewing Facility, which is situated at:

The Financial Services Authority
 25 The North Colonnade
 Canary Wharf
 London E14 5HS

* *Before exceptional items, re-measurements and amortisation of intangibles*

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HAMPSON INDUSTRIES PLC ("Hampson" or the "Company")

Acquisition of Odyssey Industries, Inc and Global Tooling Systems, Inc for a maximum total consideration of up to USD314 million (GBP158.2 million)

Proposed Placing and Open Offer to raise GBP65 million

1. Introduction

The Board of Hampson announces that the Company and the Company's subsidiary, Hampson US, have entered into agreements whereby Hampson US will acquire all of the issued shares (including rights to acquire shares) of the common stock of each of Odyssey and G.T.S. for a total initial consideration of USD253.3 million (GBP127.6 million) of which USD 213.3 million (GBP107.5 million) will be satisfied in cash with the balance being satisfied by the issue of 14,874,312 Consideration Shares (representing approximately 9.4 per cent. of the Enlarged Share Capital) to the Vendors and further deferred contingent consideration of up to USD60.7 million (GBP30.6 million) payable in cash dependent on the combined performance of Odyssey and G.T.S. in the calendar year ending 31 December 2008. The initial cash consideration may be adjusted as referred to below in the section headed "Summary Terms of the Acquisitions".

Odyssey and G.T.S. are leading suppliers of large, tight-tolerance tooling systems and services for the commercial and military aerospace industries. Odyssey specialises in particular in the design and manufacture of invar bond tools, which are used in the manufacture of large aero structural components made from carbon composite materials. G.T.S.'s principal areas of focus are complex integrated tooling solutions for carbon composite component manufacture and high-level airframe assemblies.

The Board also announces that in order to satisfy part of the cash consideration for the Acquisitions, the Company proposes to raise GBP65 million (before related expenses) by way of (i) an Open Offer to subscribe for 23,806,854 new Ordinary Shares (representing approximately 15.0 per cent. of the Enlarged Share Capital) to raise GBP32.1 million and (ii) a Firm Placing of 24,341,294 new Ordinary Shares (representing approximately 15.4 per cent. of the Enlarged Share Capital) to raise GBP32.9 million.

Qualifying Shareholders can apply for Open Offer Shares on the basis of 1 Open Offer Share for every 4 Existing Ordinary Shares held. The Placing Shares and the Open Offer Shares have been placed conditionally by Arbuthnot and Investec with institutional and other investors at the Open Offer Price of 135 pence per share, the Open Offer Shares being subject to clawback to satisfy valid applications by Qualifying Shareholders under the Open Offer. The Placing and Open Offer have been fully underwritten by Arbuthnot and Investec.

The balance of the cash consideration payable for the Acquisitions will be financed through a combination of new bank borrowing facilities as described below in the section headed "Principal Terms of the Banking Facilities" and cash from the Group's own resources.

The Acquisitions are conditional, amongst other things, upon completion of the Placing and Open Offer. Hampson US has the discretion to terminate the Acquisition Agreements prior to

their completion in limited circumstances; such termination could also occur subsequent to completion of the Placing and Open Offer.

In view of their size, the Acquisitions are conditional upon approval by Shareholders. Shareholder approval for the Acquisitions and the authorities necessary to implement the Placing and Open Offer are being sought at the Extraordinary General Meeting. Shareholders' approval is also being sought for a related party transaction with Aberforth, which has agreed, on behalf of discretionary clients, to participate in the Placing.

2. Information on Odyssey and G.T.S.

Odyssey and G.T.S. are under substantially common ownership, and are both headed by, President Randal D. Bellestri.

Odyssey

Odyssey, based in Michigan, USA, is one of the world's leading suppliers of integrated tooling systems for the aerospace industry. In particular, Odyssey has one of the largest continuous 5-axis machining capabilities in the world which, coupled with its significant experience in manufacturing very large tools for precision carbon composite airframe structures, has enabled it to become a key supplier on the very latest generation aircraft platforms, in particular the Boeing 787 ("Dreamliner") and its many derivatives.

Odyssey operates at the leading edge of technology in its sector, operating the latest technical capabilities in relation to engineering, environmentally controlled facilities, machining capabilities and support processes. Odyssey is one of the fastest growing aerospace tooling system suppliers and maintains a wide blue-chip customer base with no reliance on any one particular customer. Components and assemblies that have been built on Odyssey-designed and fabricated tools fly on nearly every major commercial aircraft, as well as military aircraft and missiles.

Odyssey's core capability is the provision of tooling systems used to fabricate large composite structures including fibre placement moulds, lay-up moulds and resin-infusion/transfer moulds. To support its customers, Odyssey provides suites of support tooling along with the prime tooling system, which capability and service differentiates it from other tooling suppliers.

Odyssey has c.280 employees, and, in aggregate, 200,000 square feet of leasehold facilities.

G.T.S.

G.T.S., based in Michigan, USA, is one of the world's leading suppliers of design, engineering and fully-integrated tooling services to the aerospace industry. In particular, G.T.S. is renowned for its full-service offering from design inception through to final component manufacture and assembly and beyond. In recognition of the value it provides to its customers, G.T.S. has just been named a winner of Boeing's Excellence Award (Gold Level) for 2007.

As with Odyssey, G.T.S. operates at the leading edge of technology in its sector, operating the latest technical capabilities in relation to engineering, environmentally controlled facilities and support processes. G.T.S. participates in the latest generation aircraft programmes, for example providing its full service capability and process improvements to support the engineering development of the Boeing 787.

G.T.S.'s core strength is its breadth of service and full suite offering. G.T.S.'s expertise is engineering-based and it is able to offer tooling solutions for all applications. G.T.S.'s integrated tooling systems will notably include large, complex, very close-tolerance composite tooling, very large automated (motorised, pneumatic and hydraulic) jigs and fixtures, transfer tooling and detail tooling amongst other ancillary tooling.

G.T.S. has c.250 employees, and, in aggregate, 115,000 square feet of leasehold facilities.

Odyssey's and G.T.S.'s management teams are expected to continue to manage Odyssey and G.T.S. within the Enlarged Group, for a minimum of three years.

Randal D. Bellestri has been working in tool engineering and manufacturing for over 30 years. During his career he has been involved with all aspects of operations. After establishing himself as a toolmaker he formed Odyssey in 1978. Under his control and leadership the company evolved into one of the prominent aerospace suppliers in the US. He then took control of G.T.S. in 1999 and focused his efforts on the growth of both businesses. Mr. Bellestri and his organisations have been recognised by various organisations for their outstanding achievements in business and in contributions to the communities in which they operate. Randal D. Bellestri owns 100 per cent. of Odyssey and 90 per cent. of G.T.S.. The remaining 10 per cent. of G.T.S. is owned by Mr Bellestri's brother, Ronald Bellestri.

Following Completion, Randal D. Bellestri will hold 14,316,525 Consideration Shares representing approximately 9.0 per cent. of the Company's Enlarged Share Capital.

3. Summary information on Odyssey and G.T.S.

Odyssey and G.T.S. have both demonstrated strong growth over the last two years. They have consciously focused their activity on providing tooling solutions for aerospace composite structures and have benefited from the industry trend towards increased composite content in new generation aircraft.

4. Background to the Acquisitions

The Board has been pursuing a growth strategy for Hampson for several years. The principal focus of the Company's growth has been the aerospace market, where its technology and customer relationships mean it holds positions in attractive niches. With record current order books at Boeing and Airbus and their backlog now equal to around seven and a half years' production, the Board believes the prognosis is for long term growth in the global commercial aerospace market.

Over the three financial years ended 31 March 2007, the Group's total revenue has more than doubled, at an average compound annual growth rate of over 28 per cent. Total earnings per share have increased from a small loss to 4.5 pence in that period.

The making of carefully targeted acquisitions of businesses with perceived high-performance potential and niche products or processes that are complementary to its own operations (namely Texstars, Inc., Coast Composites, Inc., Lamsco West Inc., and Composites Horizons, Inc. since December 2004), has been a key element of the Company's growth strategy and an important contributor to the growth in revenue and profit it has achieved to date.

Since December 2004, Hampson has made four such acquisitions, all based in North America. These acquisitions have been carefully targeted to position the Company to take advantage of an important trend within aerospace: the progressive substitution of traditional metal components and structural sub-assemblies with lighter-weight carbon composite structures. In the year ended 31 March 2007, the Group's Aerospace Composites & Transparencies division, which services this sector, accounted for around 31 per cent. of Hampson's total aerospace revenue and comprises, entirely, businesses it has acquired since December 2004.

The increasing trend towards the use of greater proportions of advanced carbon composite materials in airframe construction is being driven by the need to improve aircraft performance and fuel efficiency, resulting in enhanced operational and financial performance of the commercial airlines. With the current high price of aviation fuel and the increasing numbers of low-cost carriers now competing in regional airline markets, the need to achieve fuel cost savings has become of even greater importance in sustaining airline profitability. Since the late 1980s new generations of aircraft have made greater use of carbon composite materials in their construction in substitution, primarily, for aluminium and this trend of increased substitution is expected to continue.

The increased use of composite materials is already apparent with the latest generation of airframe designs. The recently launched Airbus A380 "Super Jumbo" has a carbon composite content, by weight, in excess of 20 per cent. The mid-size Boeing 787, which is expected to enter service next year, is estimated to have a 50 per cent. carbon composite content. Its direct competitor, the Airbus A350XWB, which is currently in design, is also reported to have a carbon composite content of over 50 per cent. by weight. This trend is expected to continue with new Boeing and Airbus aircraft, forecast to be launched after 2015, expected to have a carbon composite content of around 60 per cent. by weight. This trend is not restricted to commercial aircraft as demonstrated by the proportion of composite material used in the so-called "next generation" military aircraft such as the F-35 Lightning II ("Joint Strike Fighter").

In view of these factors, the Board believes that it is in the Group's best interests to continue to increase its direct and indirect exposure to the increased use of carbon composites in aerospace manufacturing, building on its recent acquisitions and the investments it has already committed in this area.

In December 2005, Hampson acquired California, USA-based, Coast. Coast is a manufacturer of close-tolerance tooling systems used for the fabrication of large carbon composite aero structural parts. Such parts are typically large fuselage, wing, empennage or nacelle components formed as single piece structures, replacing traditional fabricated assemblies made up of many different individual metallic parts joined together by welding, riveting or bonding together separate sub-assemblies of much smaller, detailed components. The size of the carbon composite parts being manufactured as single piece structures requires the use of much larger, specialist tools, both for the manufacture and assembly processes. As greater use is made of carbon composite materials in aerospace manufacture, there will be a related increase in demand for specialist tooling which the Board believes will offer attractive opportunities to create value for those with available capacity to meet this market requirement. The Board expects tooling demand to remain above 2007 levels, with significant upside over the next five years and potentially peaking as late as 2015. Increased demand for such tooling will result principally from:

- additional tooling sets to support increasing aircraft build rates ("rate tooling") of existing, in-production "composite rich" programmes, such as the B787 and F-35;

- development and initial tooling requirements for major new programmes that are already in design but not yet in production, such as the A350XWB;
- new tooling requirements for derivative versions of existing, new and future identified major aircraft programmes; and
- initial and rate tooling for future replacement programmes of current in-service aircraft, such as the new generation single aisle aircraft from Airbus and Boeing which, on introduction, can be expected to be produced in very high volume with a high carbon composite content.

Odyssey is a manufacturer of large, close-tolerance tools, primarily for the production of composite aero structures. It is a competitor of Coast, but has greater capacity and the ability to manufacture tools for a broader range of applications. Odyssey also has the ability to provide its customer base with an integrated service offering, whereby in addition to the manufacture of the principal tools, it can offer a complete package comprising a full suite of support tools, which is an increasing requirement of certain customers.

G.T.S. is the sister company of Odyssey, being under largely common ownership. Whilst it also designs and manufactures tools used to produce carbon composite components, it has a second core business stream being the design and manufacture of tooling and handling systems used in the assembly of large airframe structures, such as aircraft wings and fuselage sections. These large automated jigs and fixturing systems are bespoke to customers' assembly processes and particular requirements.

The principal benefits that the Board sees of acquiring Odyssey and G.T.S. are set out further below in the section headed "Benefits of the Acquisitions". Both Odyssey and G.T.S. have been identified as focused market leaders in the aero structures tooling market and well managed, attractive businesses that are well positioned in an existing strategic core market sector and offer attractive further growth potential. As at 31 December 2007, Odyssey and G.T.S. had a combined record order book of USD75 million. The Board believes that the proposed Acquisitions, when positioned alongside the Group's current tooling and composite component operations, would offer an excellent opportunity to accelerate the growth strategy that is already in place.

On, or shortly after completion of the Acquisitions, it is the intention of Hampson US to make an election jointly with the Vendors for the purposes of US Federal taxation which the Directors estimate will result in total additional taxation savings over a 15 year period equivalent to USD48 million when discounted to a net present value (using an interest rate of 7.5 per cent).

5. Benefits of the Acquisitions

The Board believes that the benefits to Hampson of acquiring Odyssey and G.T.S. would be as follows:

- The opportunity to acquire substantial, established, well-invested, profitable, well-run US aerospace businesses with strong market positions and growing order books;
- The addition of further capacity and capability in a growing market-place, where demand is expected to be strong for the foreseeable future;
- Increased exposure to the substitutional trend towards composite materials in the manufacture of airframe structures. This trend is expected to accelerate further with the introduction of the next generation of commercial, military and unmanned aircraft, coupled with weight-saving projects on current aircraft programmes;

- Broader and deeper penetration into the key North American airframe manufacturers and their tier 1 suppliers, via the entrenched positions Odyssey and G.T.S. have with their largely domestic customer base;
- The opportunity to leverage existing Hampson customer relationships outside North America and maximise work share opportunities on important new European programmes where Odyssey and G.T.S. are less strongly positioned;
- The realisation of potential operating synergies with Hampson's current tooling business, including flexibility of capacity, potential reduction of future capital expenditure requirements, potential savings on the procurement of invar and other materials;
- Access to further technical engineering know-how and experience covering an increased breadth of tooling capability and offering. G.T.S. specialises in very large automated assembly jigs, an area that is expanding as aircraft begin to be built using larger sub-components (mainly as a result of the growing use of composites in airframe manufacture); and
- Broadening of the Group's existing customer base and an opportunity to add further value as a competitive market differentiator at a time when airframe manufacturers are expecting tooling manufacturers to take on more global responsibility, bidding for and managing larger-value contracts as product integrators.

In summary, the Board believes that the acquisitions of both Odyssey and G.T.S. would strengthen the existing Hampson Group and reduce further its dependency on certain customers and programmes. The Board believes that the Acquisitions would provide Hampson with a more balanced portfolio and the ability to capitalise on further opportunities for profitable growth in niche sectors of its existing core aerospace market that are currently experiencing buoyant demand conditions which are forecast to continue. The Enlarged Group's Tooling Division, comprising Coast, Odyssey and G.T.S., would be a global leader (by revenue and customer penetration) in its chosen market.

The Board believes that the Acquisitions will enhance earnings per share^{*} in the year ending 31 March 2009. This statement should not, however, be interpreted to mean that the earnings per share^{*} of Hampson following the Acquisitions will necessarily match or exceed the historical published earnings per share^{*}.

** Before exceptional items, re-measurements and amortisation of intangibles*

6. Summary terms of the Acquisitions

Under the terms of the Acquisition Agreements, Hampson US has agreed to purchase all of the issued shares (including rights to acquire shares) of the common stock of Odyssey and G.T.S..

The initial consideration payable for the Acquisitions is USD253.3 million (GBP127.6 million) and is payable on Completion as to USD213.3 million (GBP107.5 million) in cash and as to USD40.0 million (GBP20.1 million) in new Ordinary Shares at 135p per Ordinary Share and assumes that Odyssey and G.T.S. are free of all cash and debt (other than accounts receivable and accounts payable arising in the normal course of business). If this is not the case at Completion then the initial consideration will be adjusted accordingly.

The Vendors have given an undertaking to Hampson US and the Company that they will not, amongst other things, transfer, sell, mortgage, charge, assign, grant options or other rights over or otherwise dispose of the Consideration Shares for a period of 36 months following completion

of the Acquisition Agreements. Such undertakings are stated not to apply to the acceptance of a general offer made to shareholders of the Company.

The Vendors are entitled to receive additional deferred contingent consideration at certain levels of performance.

Completion of each Acquisition is inter-conditional and is expected to occur on or around 6 June 2008.

Completion of the Acquisitions is conditional, amongst other things, upon:

- the passing of the Resolutions; and
- the satisfaction of all the conditions precedent to completion of the Placing and Open Offer and drawdown of the Group's new bank facilities referred to below.

Under the terms of the Acquisition Agreements, Hampson US has the discretion to terminate the Acquisition Agreements prior to their completion in limited circumstances, such termination could occur subsequent to completion of the Placing and Open Offer.

7. Principal Terms of the Placing and Open Offer

The Company is proposing to raise approximately GBP62.5 million net of expenses by way of a pre-emptive offering, being the Open Offer, and a firm non pre-emptive placing. The Open Offer is being made on the basis of 1 Open Offer Share for every 4 Existing Ordinary Shares held. Up to 23,806,854 new Ordinary Shares may be issued under the Open Offer. In order to facilitate the introduction of new institutional investors capable of supporting the long-term development of the Company as shareholders in Hampson, the size of the Firm Placing has been set at 24,341,294 new Ordinary Shares, representing approximately 15.4 per cent. of the Company's Enlarged Share Capital. The size of the Placing, being the Firm Placing and the Open Offer, has been set at 48,148,148 new Ordinary Shares, representing approximately 30.4 per cent. of the Company's Enlarged Share Capital.

Under the terms of the Placing Agreement, Arbuthnot and Investec have conditionally placed the Placing Shares and the Open Offer Shares at the Open Offer Price of 135 pence per share (representing a discount of 8.6 per cent. to the Company's share price on 1 May 2008, the day before the announcement of the Acquisitions). The Open Offer Shares are subject to clawback up to an aggregate limit of 23,806,854 new Ordinary Shares to satisfy valid applications from Qualifying Shareholders under the Open Offer. The Placing and Open Offer have been fully underwritten by Arbuthnot and Investec.

The Open Offer Shares

The Open Offer Shares represent approximately 49.4 per cent. of the new Ordinary Shares available under the Placing and Open Offer. Qualifying Shareholders are being given the opportunity to subscribe under the Open Offer for the Open Offer Shares at the Open Offer Price payable in full on application and free of expenses, pro rata to their existing shareholdings, on the following basis:

1 Open Offer Share for every 4 Existing Ordinary Shares

held by them and registered in their names on the Record Date and so in proportion to any other number of Existing Ordinary Shares then held, rounded down to the nearest whole

number of Open Offer Shares.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their maximum entitlements which, in the case of Qualifying non-CREST Shareholders is equal to the number of Open Offer Entitlements shown in their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST. Excess applications will not be met.

Qualifying Shareholders should note that the Open Offer is not a rights issue and that Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of Qualifying Shareholders who do not apply under the Open Offer. Open Offer Entitlements are not transferable save to satisfy a *bona fide* market claim and the Application Forms, not being documents of title, cannot be traded.

To be valid, Application Forms (duly completed) and payment in full for the Open Offer Shares applied for, must be received by the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, by post or by hand so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 27 May 2008.

The Placing Shares

The Placing Shares, which represent approximately 50.6 per cent. of the new Ordinary Shares available under the Placing and Open Offer, have been placed firm by Arbuthnot and Investec at the Open Offer Price with institutional and other investors, conditional, *inter alia*, upon Admission of the Placing Shares and Open Offer Shares. The Placing Shares will not be subject to clawback by Qualifying Shareholders.

General

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares.

Application will be made to the Financial Services Authority for the New Ordinary Shares to be admitted to the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission of the Placing Shares and Open Offer Shares will become effective and that dealings in the Placing Shares and Open Offer Shares will commence on 4 June 2008. It is expected that Admission of the Consideration Shares will become effective on 9 June 2008.

The Open Offer is not being made to certain Overseas Shareholders.

The Placing and Open Offer is conditional, *inter alia*, upon the following:

- (i) the passing of the Resolutions;
- (ii) Admission of the Placing Shares and Open Offer Shares becoming effective on or before 8.00 a.m. on 4 June 2008 (or such later time and/or date as the Company, Arbuthnot and Investec may agree, being no later than 3.00 p.m. on 18 June 2008);
- (iii) each of the Acquisition Agreements having become unconditional prior to Admission of the Placing Shares and Open Offer Shares, save as regards conditions due to be satisfied after that time; and
- (iv) the Placing Agreement having become unconditional in all other respects and not having been terminated in accordance with its terms before Admission of the Placing Shares and Open Offer Shares.

Application has been made for the Open Offer Entitlements of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements will be admitted to CREST on 6 May 2008. The Open Offer Entitlements will also be enabled for settlement in CREST on 6 May 2008. Applications through the CREST system will only be made in respect of the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

If the conditions of the Placing Agreement are not fulfilled or (where capable of waiver) waived on or before 8.00 a.m. on 4 June 2008 (or such later time and/or date as the Company, Arbuthnot and Investec may agree being no later than 3.00 p.m. on 18 June 2008), the Placing and Open Offer will not become unconditional and application monies will be returned to applicants, without interest, as soon as practicable thereafter.

It is expected that the definitive documents of title in respect of the Placing Shares and Open Offer Shares, which will be in registered form, will be delivered in uncertificated form under CREST on 4 June 2008 and in certificated form by 11 June 2008.

Temporary documents of title will not be issued pending the despatch by post of definitive certificates for the Placing Shares and Open Offer Shares. Pending the despatch of definitive certificates for the New Ordinary Shares, transfers will be certified against the register held by Neville.

8. Use of Proceeds of the Placing and Open Offer

The Placing and Open Offer will raise net proceeds of approximately GBP 62.5 million to be applied to fund, in part, the consideration payable on completion of the Acquisitions.

In the unlikely event that the Acquisitions fail to complete, the net proceeds of the Placing and Open Offer will be placed on deposit on a short-term basis and the Directors will consider whether to use the proceeds to finance other carefully selected acquisitions and/or consider the possibility of returning cash to Shareholders.

9. Principal Terms of the Banking Facilities

The Company has entered into a new, secured, multi-currency committed revolving credit facility and term loan facility jointly arranged and fully underwritten by Lloyds TSB Bank plc Corporate Markets and Bank of Scotland plc and to be provided by a syndicate of financial institutions acceptable to the Company pursuant to a facility agreement dated 22 April 2008 between (1) the Company (as borrower) (2) the Company and certain subsidiaries (as original guarantors) (3) Lloyds TSB Bank plc Corporate Markets and Bank of Scotland plc (as mandated lead arrangers ("the Lenders")) (4) Lloyds TSB Bank plc (as agent) (5) Lloyds TSB Bank plc (as security trustee) and (6) the financial institutions listed therein (as original lenders). The new revolving credit facility will be for a term of five years and for an initial amount of GBP95 million. The new term loan facility will be for a term of five years and for an initial amount of GBP90 million with repayments starting after 18 months and amortising over the five year period to GBP45.5 million after 54 months.

The purpose of the new revolving credit facility and new term loan facility is to:

- fund the balance of the consideration payable for the Acquisitions and associated costs, together totalling an estimated GBP142.7 million;
- refinance borrowings under the existing revolving credit facility totalling GBP80 million as at 29 February 2008; and
- provide funding for general corporate purposes of the Enlarged Group, including general working capital requirements.

The ability of the Company to draw down funds under the new revolving credit facility and the new term loan will be subject to satisfaction of certain limited conditions which are customary for transactions of this nature, including: (i) all conditions precedent to the Placing Agreement having been either satisfied or unconditionally waived by Arbutnot and Investec, (ii) all conditions precedent to completion of both of the Odyssey Acquisition and the G.T.S. Acquisition having been either completed or substantially waived by the relevant parties (with the consent of the Lenders) other than in respect of the payment of the purchase price, which will be satisfied on the first utilisation of the facility, and (iii) no events of insolvency having occurred in the Hampson Group prior to the Completion of the Acquisitions.

10. Related Party Issue

Aberforth, on behalf of discretionary clients, have agreed to subscribe at the Open Offer Price for 5,850,000 Placing Shares and sub-underwrite 5,850,000 Open Offer Shares; due to the size of the holdings over which Aberforth can exercise or influence voting rights, such participation in the Placing is classified by the UK Listing Authority as a related party transaction and, as such, requires the approval of Shareholders.

11. Interim results, current trading and prospects for Hampson

On 20 November 2007, the Group announced an unaudited trading profit of GBP10.0 million and an unaudited consolidated profit before tax of GBP5.0 million on revenue of GBP76.3 million for the 6 months ended 30 September 2007. In its trading update of 4 April 2008, it further announced that trading in the aerospace businesses remained strong and improvement in results at the Automotive Turbocharger division had been sustained throughout the second half, in line with the Directors' expectations.

12. Significant change

There has been no significant change in the financial or trading position of Hampson Group since 30 September 2007, being the date to which the last unaudited interim financial information was prepared.

13. Dividend policy

On 4 April 2008, the Group announced that the Directors expected, subject to no unforeseen circumstances arising, to recommend an increased final dividend of 1.5p per Ordinary Share in respect of the year ended 31 March 2008. It is the present intention of the Board to maintain a progressive dividend policy subject to prevailing market conditions and no unforeseen circumstances arising. The Directors may amend the dividend policy of the Company from time to time and the above statement regarding the Board's dividend policy should not be construed as any form of profit forecast.

14. Extraordinary General Meeting

It is expected that an Extraordinary General Meeting of the Company will be convened for 1.30 p.m. on 3 June 2008 at the offices of Eversheds LLP, 115 Colmore Row, Birmingham B3 3AL at which the following resolutions will be proposed to:

- increase the authorised share capital of the Company from GBP32,500,000 to GBP55,000,000 by the creation of 90,000,000 Ordinary Shares of 25 pence each (an increase of approximately 69.2 per cent. of the authorised share capital of the Company as at the date of this announcement);
- authorise the Directors pursuant to section 80 of the 1985 Act to allot relevant securities up to a maximum nominal amount of GBP 28,943,104 (115,772,416 Ordinary Shares) (representing approximately 73.2 per cent. of the Enlarged Share Capital), such authority to expire on the date of the Annual General Meeting of the Company to be held in 2008;
- disapply the statutory pre-emption rights contained in section 89 of the 1985 Act in relation to the allotment of equity securities for cash, up to an aggregate nominal amount of GBP15,755,615 (63,022,460 Ordinary Shares) for the purposes of the Placing and Open Offer and issue of the Consideration Shares and otherwise up to an aggregate nominal amount of GBP 1,978,123 (7,912,492 Ordinary Shares) (representing approximately 8.3 per cent. of the Existing Ordinary Shares and approximately 5.0 per cent. of the Enlarged Share Capital), such authority to expire on the date of the Annual General Meeting of the Company to be held in 2008;
- approve the Related Party Issue; and
- approve the Acquisitions;

The increase in share capital contemplated by the notice of EGM will leave the Company, following completion of the Placing and Open Offer and Acquisitions, with a balance of authorised but unissued share capital of GBP 15,437,531 (61,750,124 Ordinary Shares) (representing 39.0 per cent. of the Enlarged Share Capital) which the Directors believe is an appropriate level of authorised but unissued share capital to maintain.

The increase in the authorised share capital is required in order to enable the Placing and Open Offer and Acquisitions to proceed. The authority under Section 80 of the 1985 Act is required to implement the Placing and Open Offer and Acquisitions and to provide an appropriate level of authorised but unissued share capital following completion of the Placing and Open Offer and Acquisitions in respect of which the Directors have authority to allot, subject always to the statutory rights of pre-emption contained in section 89 of the 1985 Act. The authority under section 95 of the 1985 Act is also required to implement the Placing and Open Offer, to issue the Consideration Shares and implement the Acquisitions and to provide limited authority to allot shares for cash thereafter otherwise than pro rata to Shareholders.

The Board has no present intention of using the authorities granted to issue any of the Company's share capital other than pursuant to the Placing and Open Offer and Acquisitions.

As explained in the section headed "Related Party Issue", the Related Party Issue, being the proposed participation of discretionary clients of Aberforth in the Placing, requires the approval of Shareholders.

The Acquisitions require the approval of the Company's shareholders due to their size, in aggregate, relative to the Group. The Acquisitions are conditional upon the passing of the Resolutions.

15. Directors' Intentions relating to the Open Offer

The Directors, who in aggregate are beneficially interested in 195,275 Ordinary Shares, representing approximately 0.21 per cent. of the present issued share capital of the Company, intend to take up their entitlements in full in respect of 48,818 Open Offer Shares in aggregate.

16. Other

A circular will shortly be posted to Shareholders comprising a Prospectus containing details of the Placing and Open Offer and notice of an EGM of the Company (the "Circular").

Copies of the Circular will be submitted to the UK Listing Authority and will be available for inspection at the UK Listing Authority's Document Viewing Facility, which is situated at:

The Financial Services Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

APPENDIX I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates set out in the expected timetable of principal events above and mentioned throughout this announcement may be adjusted by Hampson, in which event details of the new dates will be notified to the UK Listing Authority and the London Stock Exchange and, where appropriate, to Shareholders.

	2008
Record Date for the Open Offer	Close of business on 29 April
Open Offer Entitlements credited to CREST stock accounts	6 May
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 20 May
Latest time for depositing Open Offer Entitlements into CREST	3.00 p.m. on 21 May
Latest time and date for splitting Application Forms (to satisfy bona fide market claims)	3.00 p.m. on 22 May
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction	11.00 a.m. on 27 May
Latest time and date for receipt of Forms of Proxy	1.30 p.m. on 1 June
Extraordinary General Meeting	1.30 p.m. on 3 June
Admission and commencement of dealings in the Placing Shares and Open Offer Shares	8.00 a.m. on 4 June
CREST stock accounts credited for Placing Shares and Open Offer Shares in uncertificated form	4 June
Completion of the Acquisitions	6 June
Admission of the Consideration Shares	8.00am on 9 June
Despatch of definitive certificates for Placing Shares and Open Offer Shares in certificated form	by 11 June

APPENDIX II

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

“1985 Act”	The Companies Act 1985 (as amended and to the extent in force)
“Aberforth”	Aberforth Partners LLP
“Acquisitions”	Together, the Odyssey Acquisition and the G.T.S. Acquisition
“Acquisition Agreements”	Together, the Odyssey Acquisition Agreement and the G.T.S. Acquisition Agreement
“Admission”	Admission to listing on the Official List together with admission to trading on the London Stock Exchange’s main market for listed securities
“Admission Standards”	The Admission and Disclosure Standards issued by the London Stock Exchange
“Admission to Listing”	Admission to the Official List becoming effective in accordance with the Listing Rules
“Admission to Trading”	Admission to trading on the London Stock Exchange’s market for listed securities becoming effective in accordance with the Admission Standards
“Applicant”	A Qualifying Shareholder or a person entitled by virtue of a bona fide market claim who lodges an Application Form or relevant CREST instruction under the Open Offer
“Application Form”	The application form accompanying this document by which Qualifying non-CREST Shareholders may apply for Open Offer Shares under the Open Offer
“Arbuthnot”	Arbuthnot Securities Limited, a member of the London Stock Exchange and regulated by the FSA
“Board” or “Directors”	The board of directors of the Company
“Business Day”	A day on which the London Stock Exchange is open for the transaction of business
“Certificated” or “in Certificated Form”	An Ordinary Share which is not in uncertificated form
“Coast”	Coast Composites, Inc.

“Company” or “Hampson”	Hampson Industries PLC
“Completion”	Completion of the Acquisitions in accordance with the terms of the Acquisition Agreements
“Consideration Shares”	The 14,874,312 new Ordinary Shares to be issued to the G.T.S. Vendors and to the Odyssey Vendor in accordance with the terms of the G.T.S. Acquisition Agreement and the Odyssey Acquisition Agreement
“CREST”	The relevant system (as defined in the CREST Regulations) in respect of which CRESTCo Limited is the Operator (as defined in the CREST Regulations)
“CRESTCo” or “Euroclear”	Euroclear UK & Ireland Limited, the Operator (as defined in the CREST Regulations) of CREST
“CREST Regulations”	The Uncertificated Securities Regulations 2001 (SI 2001/3755)
“EBITDA”	Earnings before interest, taxation, depreciation and amortisation
“Enlarged Group”	The Group as enlarged by the Acquisitions
“Enlarged Share Capital”	The issued share capital of the Company, as enlarged by the allotment and issue of the New Ordinary Shares
“Excluded Territory”	The United States, Canada, Australia, Japan, South Africa and New Zealand or any other jurisdiction to which or where the extension or acceptance of the Open Offer would breach or violate the law of that jurisdiction or the offering of the Placing Shares or the Open Offer Shares would require registration
“Existing Ordinary Shares”	The 95,227,416 Ordinary Shares currently in issue
“Exon-Florio Provision”	Section 5021 of the US Omnibus Trade and Competitiveness Act of 1988 which amended section 721 of the US Defense Production Act of 1950
“Extraordinary General Meeting” or “EGM”	The extraordinary general meeting of the Company to be held at 1.30 p.m. on 3 June 2008
“EGM Notice”	The notice set out at the end of this document convening the EGM

“EU”	The European Union
“Firm Placing”	The firm placing of the Placing Shares by Arbuthnot and Investec as agents for the Company pursuant to the Placing Agreement
“Form of Proxy”	The form of proxy for use at the EGM
“FSA”	Financial Services Authority
“FSA Handbook”	A publication by the Financial Services Authority which sets out all the rules and guidance made by the FSA under the Financial Services and Markets Act 2000
“FSMA”	The Financial Services and Markets Act 2000, as amended
“G.T.S.”	Global Tooling Systems, Inc., a company incorporated in the US
“G.T.S. Acquisition”	the proposed acquisition of all of the issued shares (including rights to acquire shares) of the common stock of G.T.S.
“G.T.S. Acquisition Agreement”	The sale and purchase agreement dated on or around 1 May 2008 between Hampson, Hampson US and the G.T.S. Vendors pursuant to which Hampson US has conditionally agreed to acquire the entire issued share capital of G.T.S.
“G.T.S. Vendors”	The holders of all of the issued shares of the common stock of G.T.S.
“GBP”	UK pound sterling
“Group” or “Hampson Group”	The Company and its subsidiary undertakings
“Hampson US”	Hampson Industries US, Inc.
“IFRS”	International Financial Reporting Standards
“Investec”	Investec Investment Banking, a division of Investec Bank (UK) Limited
“Listing Rules”	The listing rules issued by the UK Listing Authority under section 74 of FSMA
“London Stock Exchange”	London Stock Exchange plc
“LTIP”	The Hampson Long Term Incentive Plan
“New Ordinary	Together the Placing Shares, the Open Offer Shares and the

Shares”	Consideration Shares
“Odyssey”	Odyssey Industries, Inc., a company incorporated in the US
“Odyssey Acquisition”	The proposed acquisition of all of the issued shares (including rights to acquire shares) of the common stock of Odyssey
“Odyssey Acquisition Agreement”	The sale and purchase agreement dated on or around 1 May 2008 between Hampson, Hampson US and the Odyssey Vendor pursuant to which Hampson US has conditionally agreed to acquire the entire issued share capital of Odyssey
“Odyssey Vendor”	The holder of all of the issued shares of the common stock of Odyssey
“OEM”	Original equipment manufacturer
“Official List”	The Official List of the UK Listing Authority
“Open Offer”	The conditional offer made by Arbuthnot and Investec, as agents for the Company, inviting Qualifying Shareholders to subscribe for the Open Offer Shares at the Open Offer Price on the terms and subject to the conditions set out in this document and, where relevant, the Application Form
“Open Offer Entitlements”	Entitlements allocated to Qualifying Shareholders to subscribe for Open Offer Shares under the Open Offer
“Open Offer Price”	135 pence per Open Offer Share
“Open Offer Shares”	The 23,806,854 new Ordinary Shares available to Qualifying Shareholders under the Open Offer
“Ordinary Shares”	Ordinary shares of 25 pence each in the capital of the Company
“Overseas Shareholders”	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the United Kingdom
“Placing”	The placing of the Placing Shares and Open Offer Shares by Arbuthnot and Investec as agents for the Company pursuant to the Placing Agreement
“Placing Shares”	The 24,341,294 new Ordinary Shares conditionally placed by Arbuthnot and Investec with institutional and certain other investors which are not subject to any clawback to satisfy valid applications from Qualifying Shareholders under the Open Offer

“Placing Agreement”	The conditional agreement dated 2 May 2008 between (1) the Company, (2) Arbuthnot and (3) Investec relating to the Placing and Open Offer
“Proposals”	Together the Acquisitions, the increase in authorised share capital of the Company, the authority to allot, the disapplication of statutory pre-emption rights and the Related Party Issue
“Qualifying CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the Company’s register of members on the Record Date are held in uncertificated form in CREST
“Qualifying non-CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the Company’s register of members on the Record Date are held in certificated form
“Qualifying Shareholders”	Holders of Existing Ordinary Shares on the register of members of the Company on the Record Date, but excluding those holders of Existing Ordinary Shares who are located or resident in, or who are citizens of, or who have a registered address in an Excluded Territory
“Record Date”	The close of business on 29 April 2008
“Registrars” or “Neville”	Neville Registrars Limited
“Related Party Issues”	The proposed participation of discretionary clients of Aberforth in the Placing
“Resolutions”	The resolutions to be proposed at the EGM
“Shareholders”	Holders of Ordinary Shares
“Share Option Schemes”	The Hampson Industries (1994) Management Share Option Scheme, the Hampson Industries PLC 2006 Unapproved Share Option Scheme and the Hampson Industries PLC Approved Share Option Scheme
“uncertificated” or “in uncertificated form”	Recorded on the relevant register of Ordinary Shares as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“UK Listing Authority”	The FSA, in its capacity as the competent authority for the purposes of Part VI of FSMA
“United Kingdom” or “UK”	The United Kingdom of Great Britain and Northern Ireland

“United States” or “US”	The United States of America, its territories and possessions, any state of the United States and the District of Columbia
“USD”	US dollars
“Vendors”	The Odyssey Vendor and the G.T.S. Vendors

The exchange rates used to convert amounts in this document denominated in US dollars into amounts denominated in UK pounds sterling are as follows:

- trading results of Odyssey and G.T.S. for the year ended 31 December 2007 have been translated at the rate of GBP1 to USD2.0016, being the average daily exchange rate throughout the year ended 31 December 2007;
- US dollar balances in relation to the G.T.S. Acquisition Agreement have been translated at the rate of GBP1 to USD1.9845, being the exchange rate at 30 April 2008, the last practicable date prior to the signing of the G.T.S. Acquisition Agreement;
- US dollar balances in relation to the Odyssey Acquisition Agreement have been translated at the rate of GBP1 to USD1.9845, being the exchange rate at 30 April 2008, the last practicable date prior to the signing of the Odyssey Acquisition Agreement.
- US dollar balances in relation to the issue of Consideration Shares to the Vendors have been translated at the rate of £1 to US\$1.9920, being the exchange rate at 28 April 2008.

This announcement does not constitute, or form any part of, an offer or an invitation to purchase any securities.

This announcement does not constitute an offer of, or the solicitation of any offer to buy, any Ordinary Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

Investec, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company as joint sponsor, joint financial adviser, joint broker and joint underwriter and for no one else in relation to the matters described in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Investec or for providing advice in relation to the subject matter or contents of this announcement.

Arbuthnot, which is regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company as joint sponsor, joint financial adviser, joint broker and joint underwriter and for no one else in relation to the matters described in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Arbuthnot or for providing advice in relation to the subject matter or contents of this announcement.

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