

Company Presentation





Disclaimer

Forward Looking Statements

This document may contain prospective statements, which are subject to risks and uncertainties, as they were based on expectations of the Company's management and on available information. These prospects include statements concerning our management's current intentions or expectations about a list of subjects, out of which we highlight: economic, politic and business environment in Brazil, with special attention to the geographic market in which we work with; our level of indebtedness and remaining financial obligations and our capacity to take out financing when necessary and at reasonable terms; our capacity to implement our investment plans; inflation and devaluation of the Real, as well as interest rate fluctuations; existing laws and regulations and futures; cost increase; our capacity to obtain materials and uninterrupted services from our suppliers, at reasonable prices and with economies of scale; our ability to get new clients and integrate them in a satisfactory manner; growth prospects of the oil, gas and automobile industries, including our expectations about the business plan for our clients; prospects that our clients might continue to demand a minimum participation of the national content in their biddings; success in the implementation of our strategy; and the risk factors related to our businesses.

Readers/investors should be aware that the above-mentioned factors, as well as others discussed herein, may mean that our future results differ from the forward-looking statements in this document. The Company has no obligation to update said statements.

The words "anticipate", "wish", "expect", "foresee", "intend", "plan", "predict", "forecast", "aim" and similar words, are intended to identify affirmations.

Forward-looking statements refer to future events which may or may not occur. Our future financial situation, operating results, market share and competitive positioning may differ substantially from those expressed or suggested by said forward-looking statements. Many factors and values that can establish these results are outside the company's control or expectation. The reader/investor is encouraged not to completely rely on the information above.



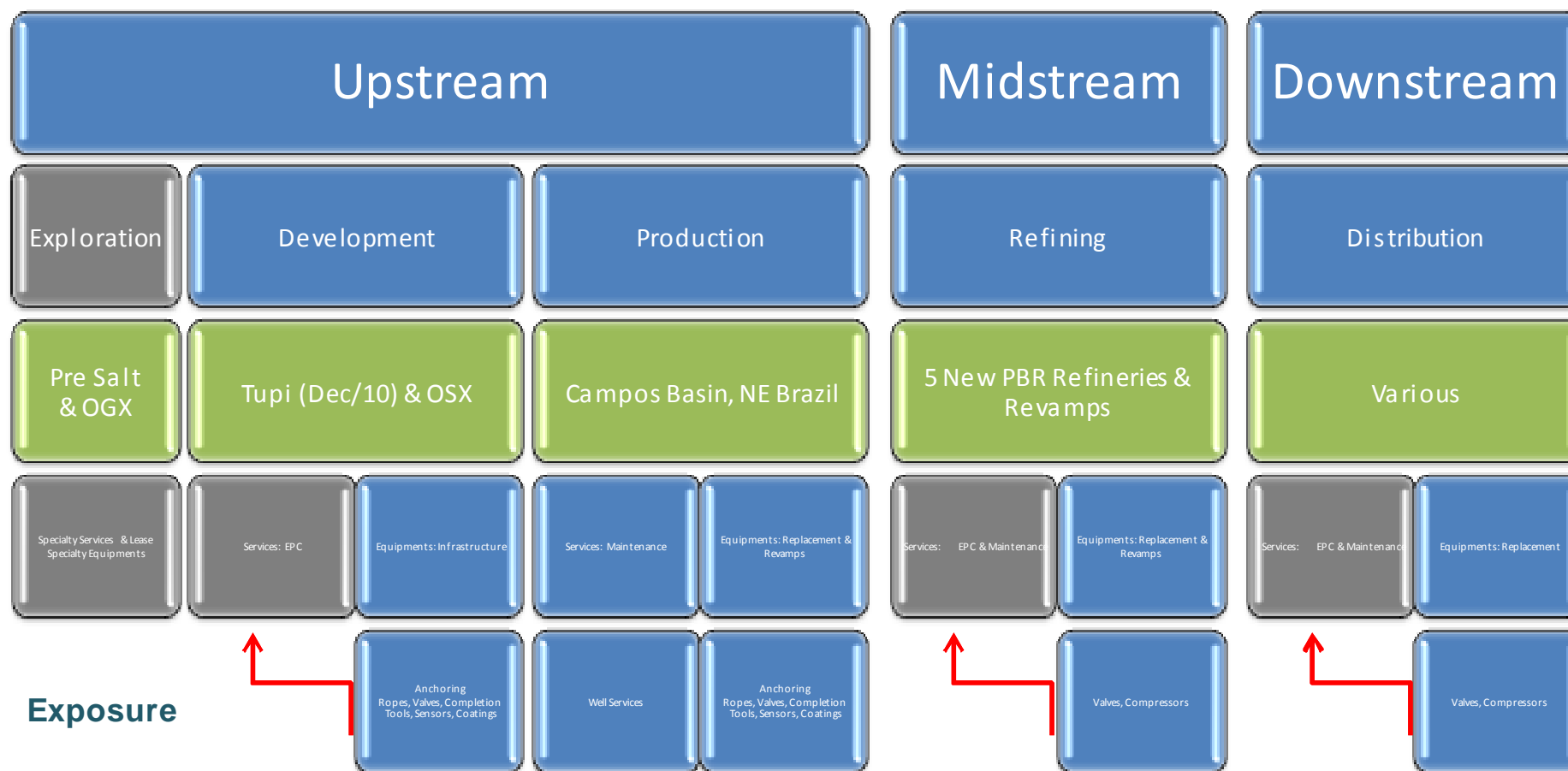
LUPATECH

Introduction





Where the Portfolio is Used...



Is LUPA exposed:

Yes

No



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Brief Introduction

Investment Thesis

Exposure to the CAPEX being made by O&G companies, primarily in Brazil, where only Petrobras is carrying on a massive +USD200 billion CAPEX program

Positioning

Manufacturer of equipments and services provider for Oil & Gas companies and EPC's in upstream, midstream and downstream. Well positioned in Brazil, where strong growth is expected over the coming years as recent new discoveries will initiate the development phase.

Local Content and Technology

According to the Brazilian rules for the O&G sector, 65% of the CAPEX has to be made using local content. Lupatech' positioning strengthen its competitive advantage.

Long Term involvement with R&D to develop solutions to deep water oil production, which placed Lupatech in the state-of-the-art for its product portfolio.

Value Creation

Leveraging its exposure to the O&G sector by :

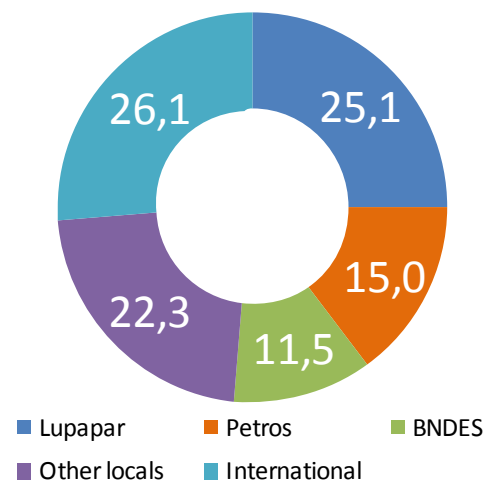
- Organic growth: New capacity & Additional products and services;
- Strategic acquisitions;
- Capital structure



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Strong Shareholder Structure



Lupapar - Lupatech' Founder & CEO
Petros – PBR Pension Fund
BNDES – Brazilian Development Bank

General Information:

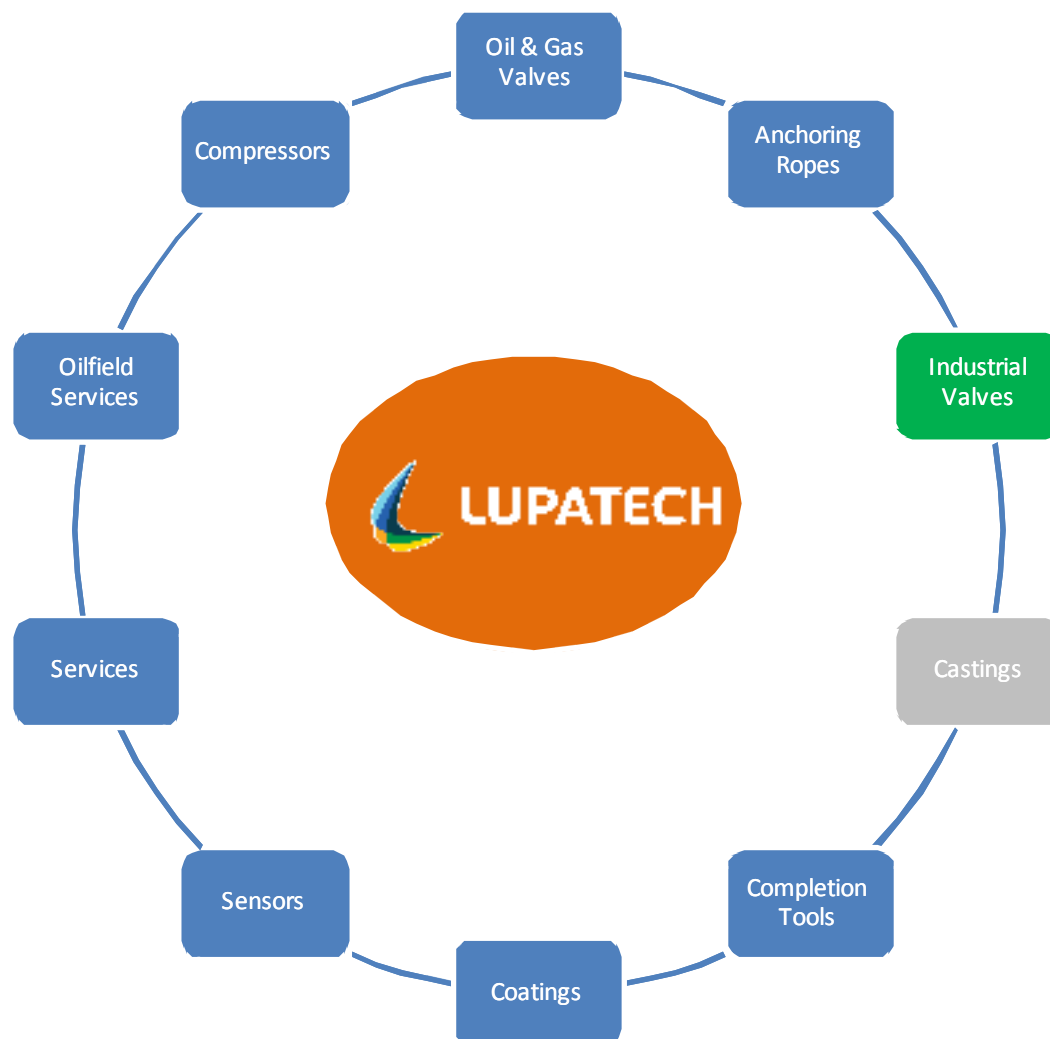
Ticker: LUPA3 (BM&FBOVESPA) and LUPAY (OTCQX)
CUSIP: 550438 113
Lupatech Finance Limited 9 7/8 Perpetual Bonds: SEDOL B14TFV
Free Float: 74.9%
Total number of shares: 47,674,118
Stock option plans: 406,135
Convertible dilution: Max: 13,061,224 ; Min: 4,571,428
Novo Mercado listing – Common shares only
Active Board since 1987 with 7 members – 3 independent members
Strict disclosure policies
IFRS accounting (since 2008)



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Diversified Product Portfolio



ENERGY SEGMENT

Engineered equipments, components and services, focused in Development & Production, especially for deep water applications

FLOW CONTROL SEGMENT

Automated and manual industrial valves with different types of alloys

METALLURGY SEGMENT

Engineered solutions and products using PIM and Investment Casting



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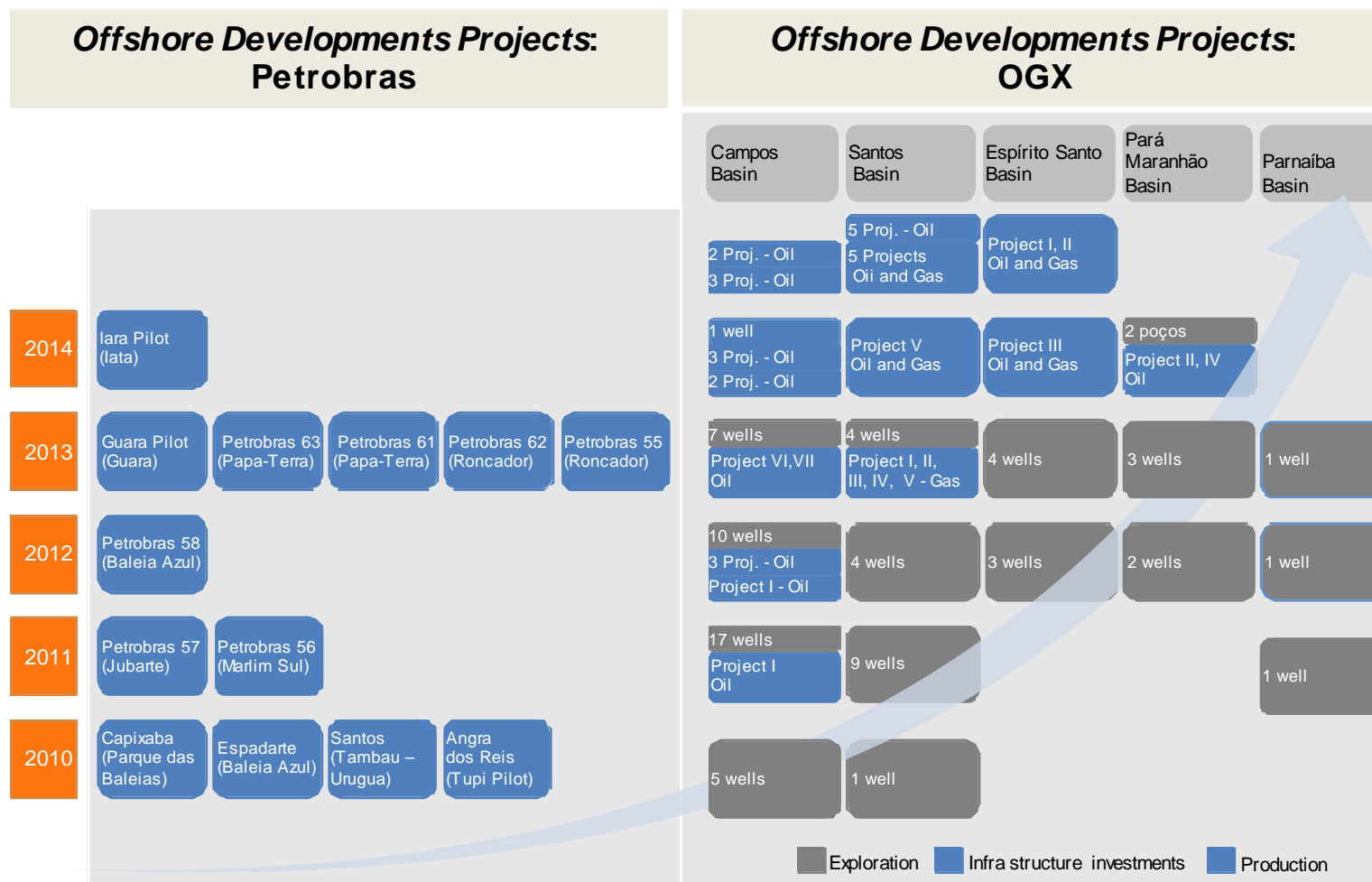
Opportunities





Perspectives – Development Projects

The demand of Petrobras, OGX and other players of the offshore equipments segment will demand strong investments in state-of-the-art technology for deep water exploration



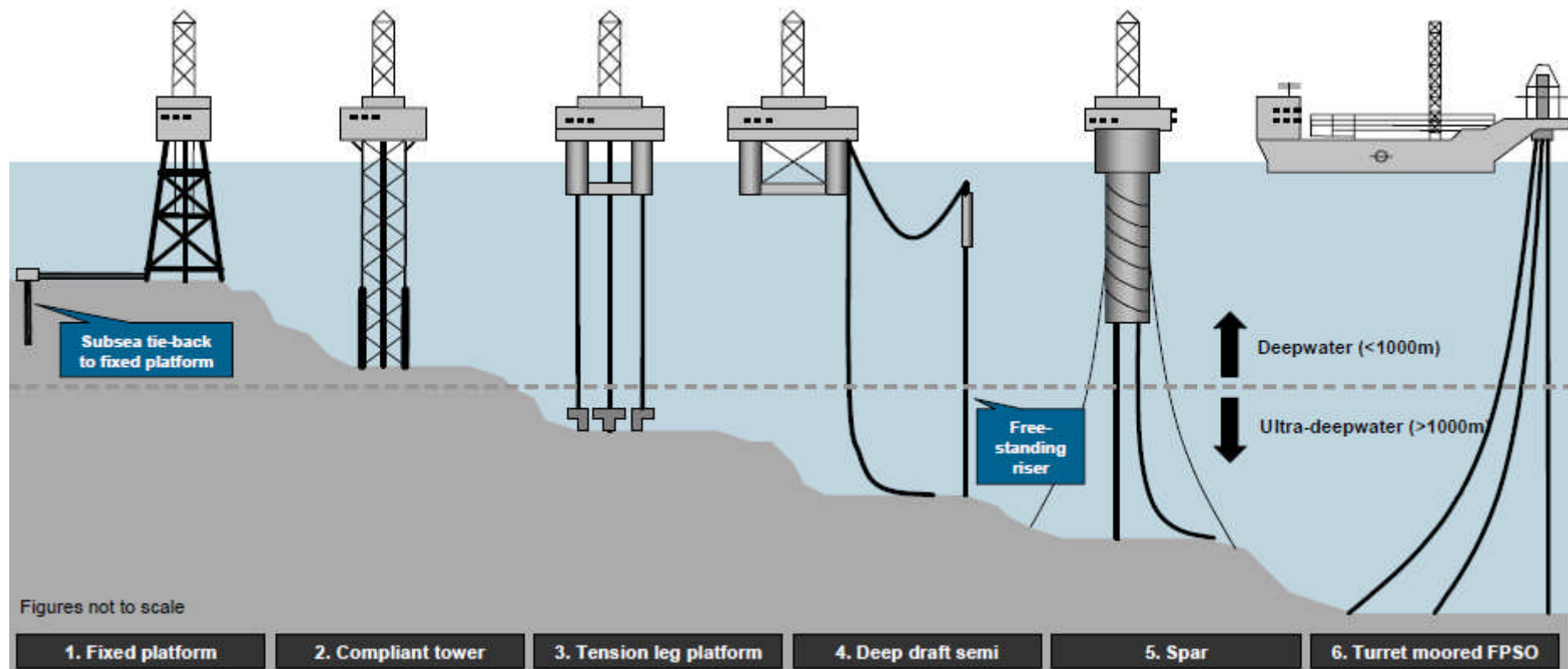
Source: Company's Reports and JP Morgan



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Platforms – A major driver for O&G production growth



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Short Term improving for Oil & Gas

BID Activity

- PBR bidding process related to our exposure resumed late in 2009;
- Lupatech was efficient in gaining new projects;
- Contracts are under negotiation.
- EPCs remain at a low level, providing opportunities down on the road.

Backlog getting stronger

- Progress will be noticed on;
 - Services,
 - Equipments and
 - Valves.

Opportunities

- Organic – services, new valves (subsea), coatings, completion tools and other new equipments, Globalization
- JV's – local positioning attracting new entrants to jointly explore the market
- M&A – continuing to analyze strategic opportunities



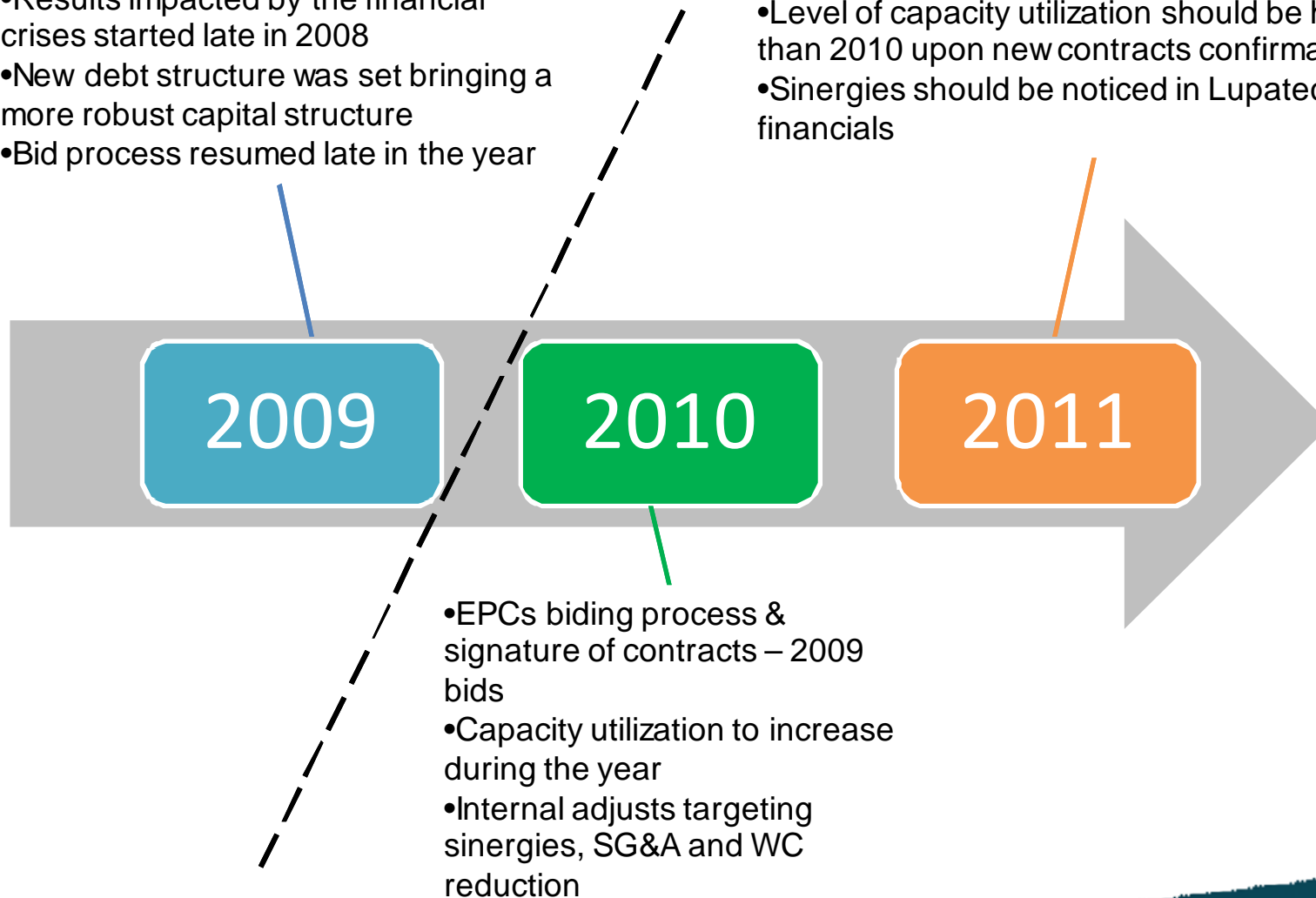
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“Seeds” of 2009 to Drive to a Strong “Harvest” Ahead...

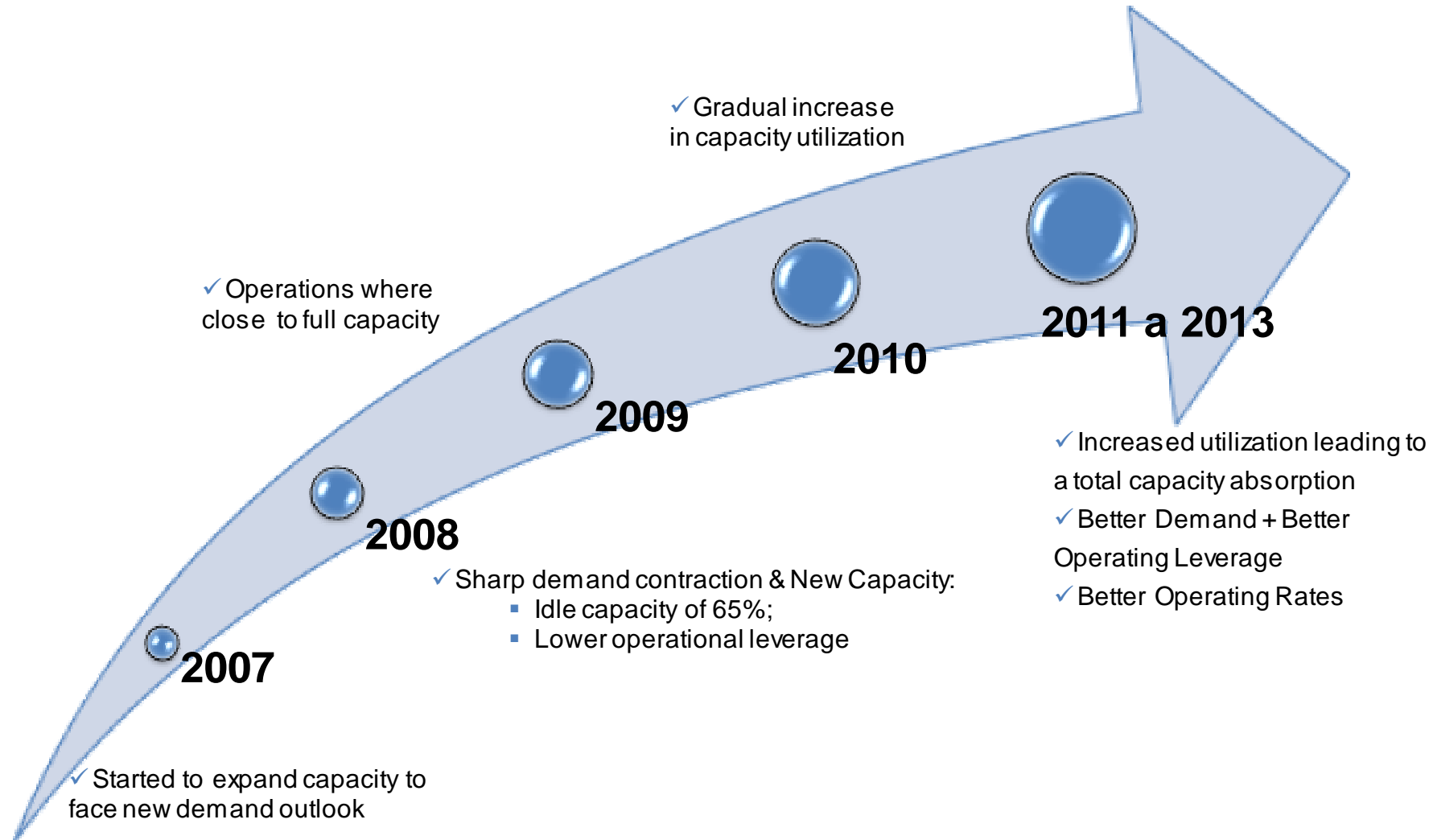
- Results impacted by the financial crises started late in 2008
- New debt structure was set bringing a more robust capital structure
- Bid process resumed late in the year

- Level of capacity utilization should be higher than 2010 upon new contracts confirmation
- Sinergies should be noticed in Lupatech' financials



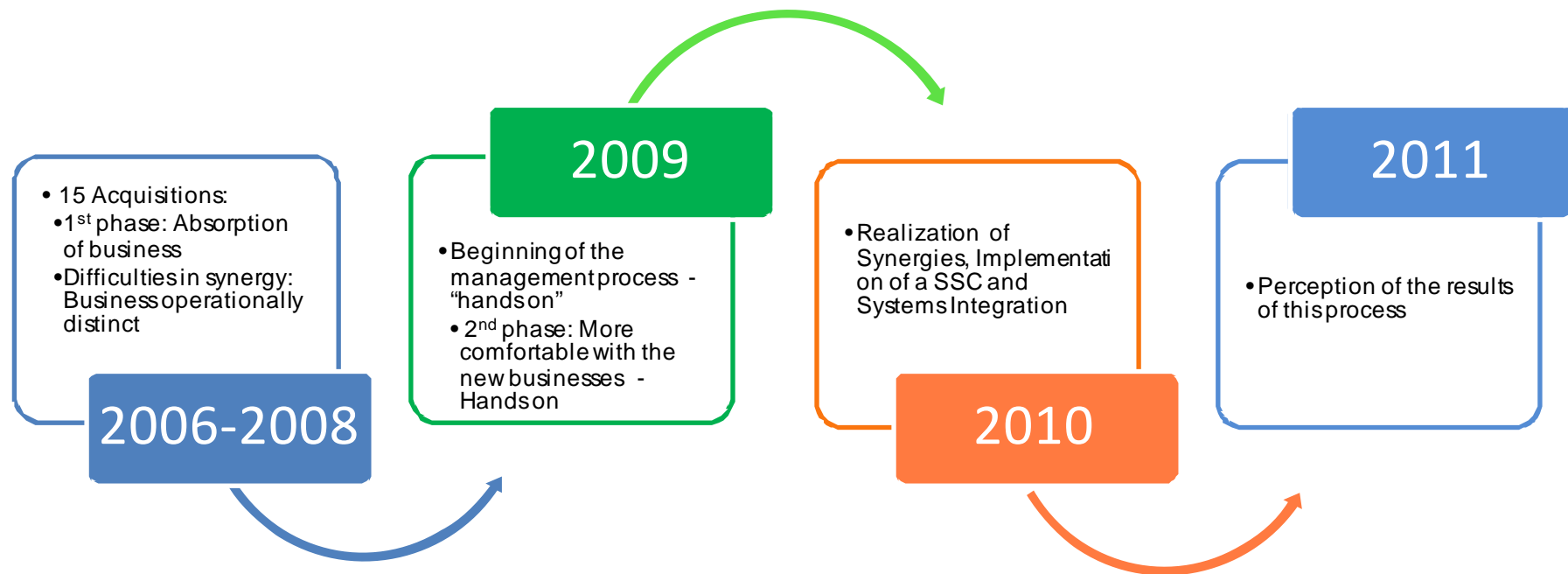


Growing Capacity Utilization





Integrations



What do we do in Services?



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Lupatech Oilfield Services

**Fast growing market with
unattended client necessities**

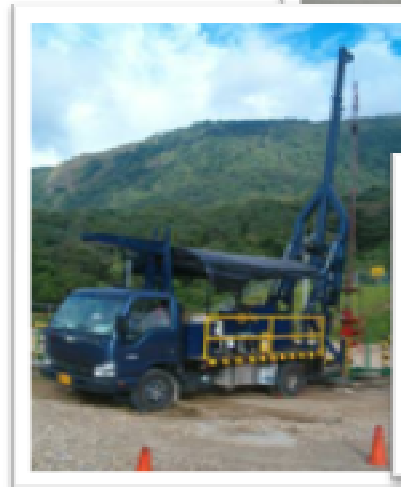
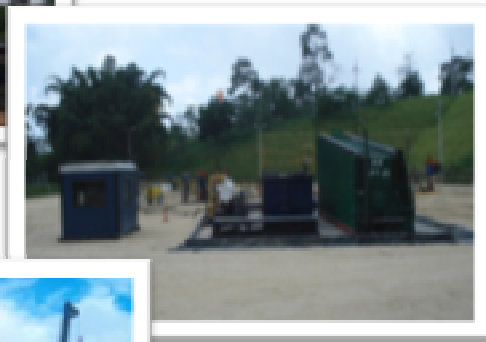
Regional player
providing services
and integrated
solutions with
infrastructure and
portfolio
diversification

Management
expertise on
Global Companies
and the industrial
capacity of
Lupatech

Cross sell
opportunities and
access to new
markets in
Completion
Tools, Monitoring
Systems, Tubular
Services, Oil
Services

Alignment of the
project with the
local content
requirement of the
sector

Cost efficiency +
value added
solutions with
competitive prices



Services will include: Wire line, Well logging, Perforating, Slick line, Completion, Artificial Lifting, Well testing, Surface well test, Workover, Coiled tubing, Pulling, Swabbing, Re-entries, Integrated Project Management, EPF (Early Production Facilities)



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Site Overview – Services & Equipments



Macaé – RJ

Area: 50,000m² / 450,000 sq ft

Operations:



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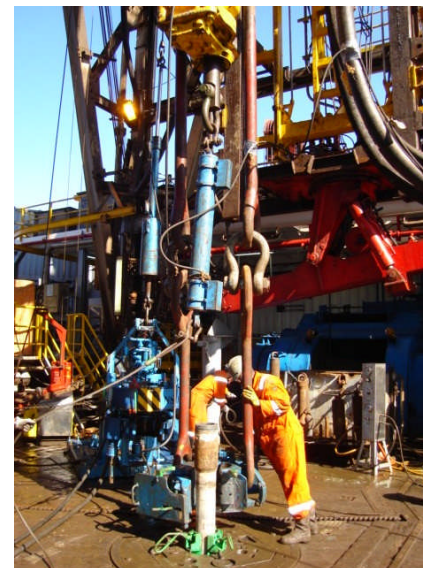


Drill Pipe Riser Offshore

DRP Offshore



Tubing Hanger Mode Instalation



Christima's Tree Instalation

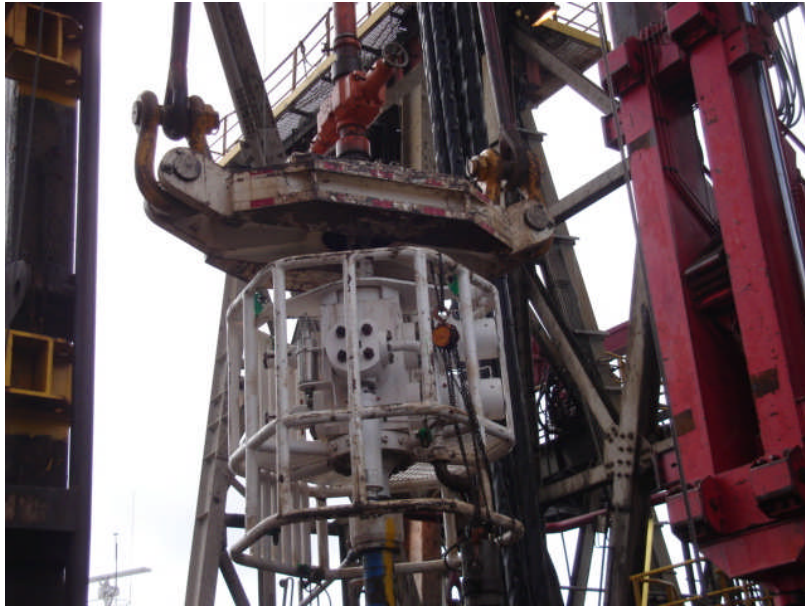


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Drill Pipe Riser Offshore

DRP Offshore



Tubing Hanger Mode Instalation



Tubing Hanger Mode Instalation

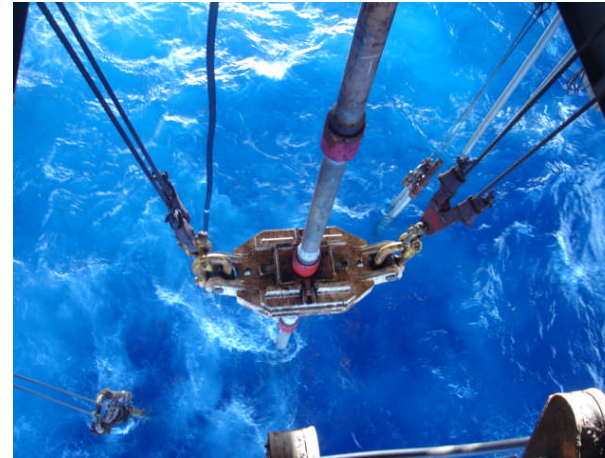
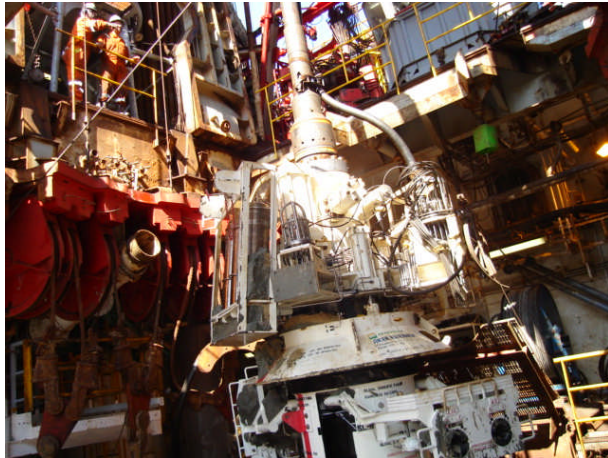


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Riser Dual Bore

Riser Dual
Bore



Tree Cap



Wireline



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TSR Maintenance

TSR
Maintenance



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Test & Repair

Test &
Repair



Phosphating service and Hydrostatic Test



Serviço de Torques Ø 2.3/8" á 10.3/4"



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Load Test

Load Test



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Well Bore Cleaning

Well Bore
Cleaning

The most efficient program includes proper scraping, brushing and mechanical recovery of debris from the coating, riser

JUNK TRAPPER®



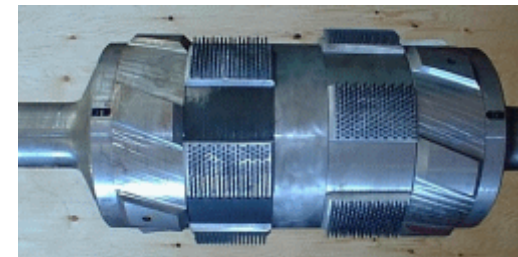
EZI-CHANGE® CASING SCRAPER



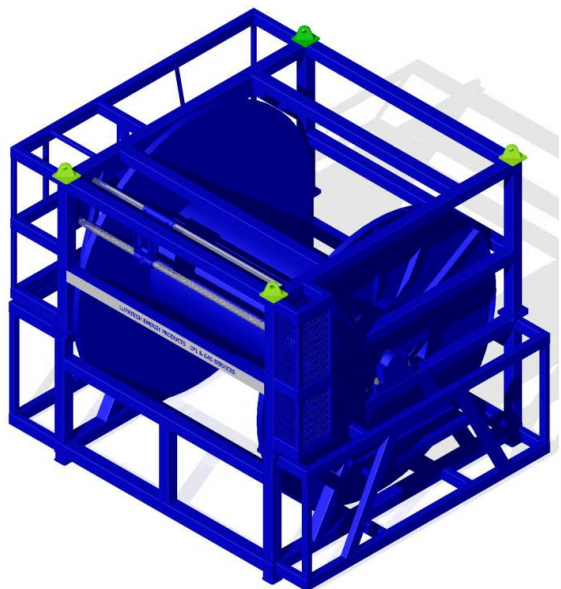
MEGAMAG™



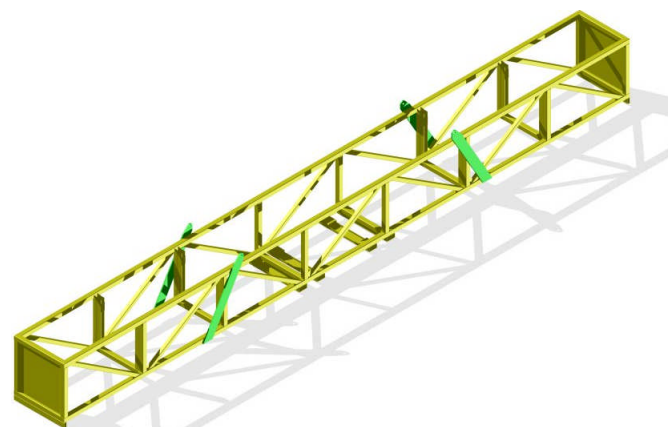
EZI-CHANGE® CASING BRUSH



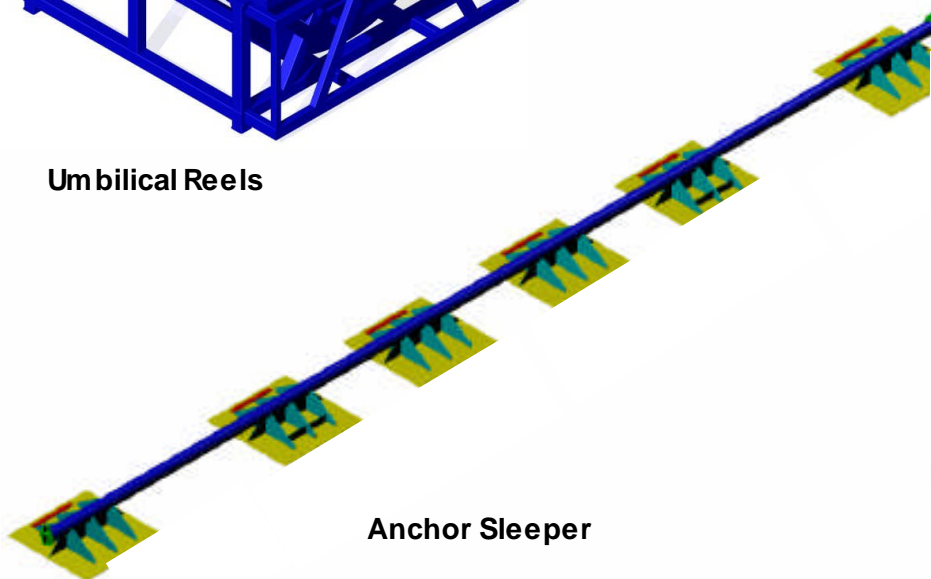
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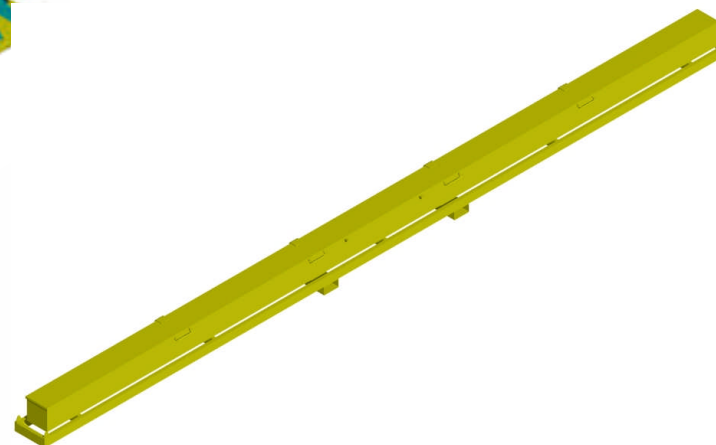
Umbilical Reels



**Transportation Metallic
Basket**



Anchor Sleeper



Transportation Skid





Work Over

New
Opportunities



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Selected Financial Information





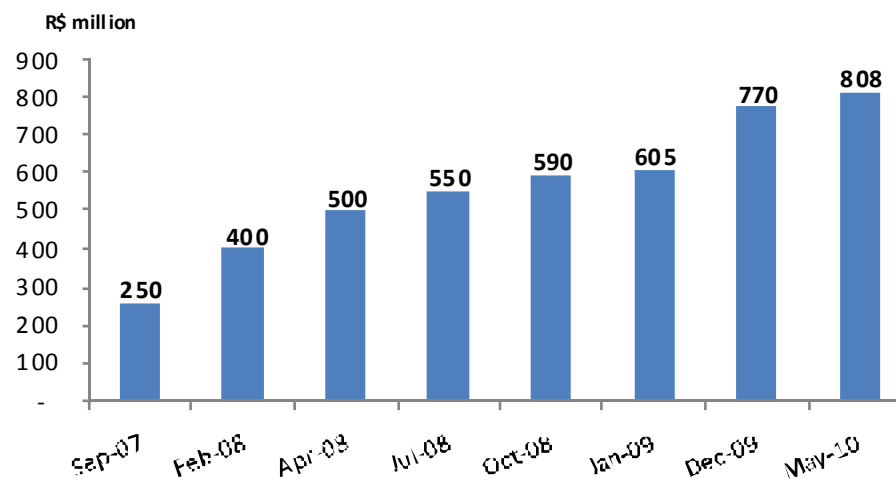
Highlights

Main Indexes Performance	
Net Revenues	Increase of 36.5%
Gross Profit	Increase of 82.3%
EBITDA	Increase of 189.8%
Cash Flow Generation	R\$29.8 million
Net Result	Loss reduction in 65.7%

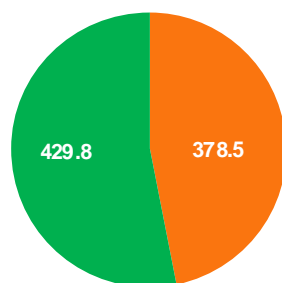




Backlog

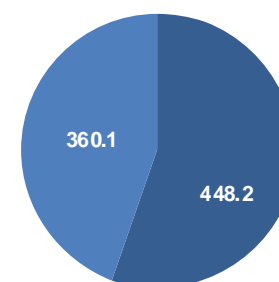


Backlog in 05/12/10
(R\$ million)



■ Products ■ Services

Conversion of Backlog into Revenues
(R\$ million)



■ in 12 months ■ over 1 year

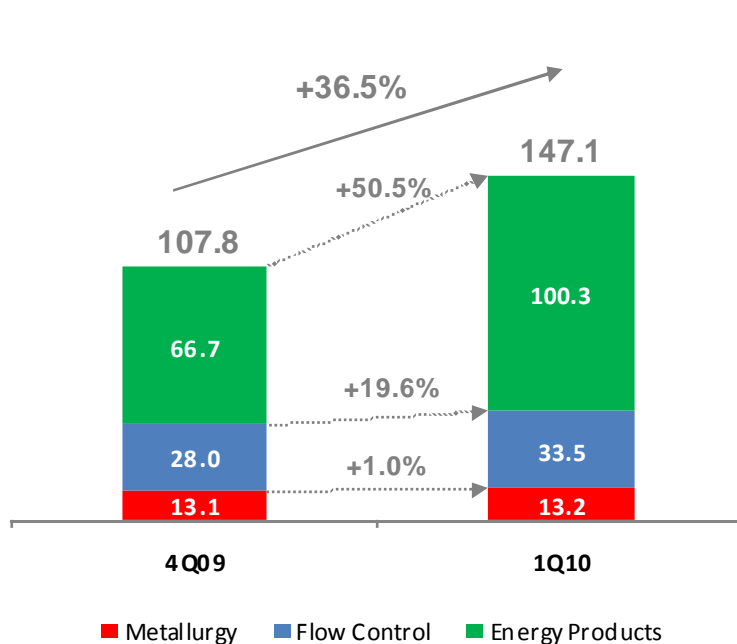


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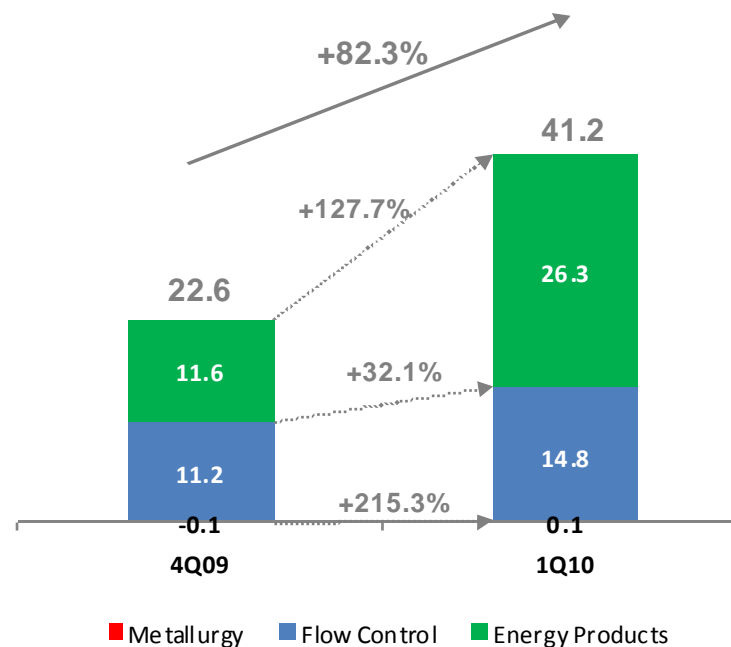


1Q10 Results – Net Revenues and Gross Profit

Net Revenues
(R\$ million)



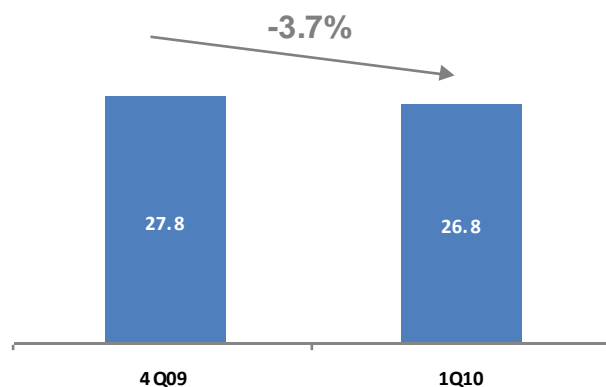
Gross Profit
(R\$ million)



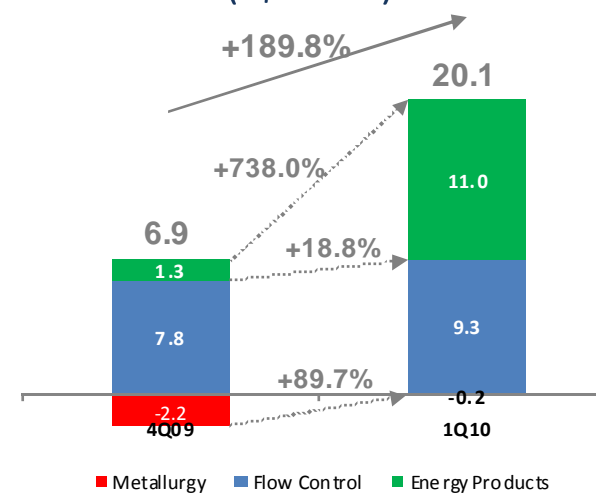


1Q10 Results – Expenses, EBITDA and Net Result

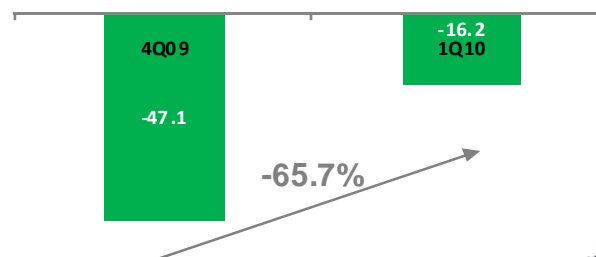
Expenses
(R\$ million)



EBITDA
(R\$ million)



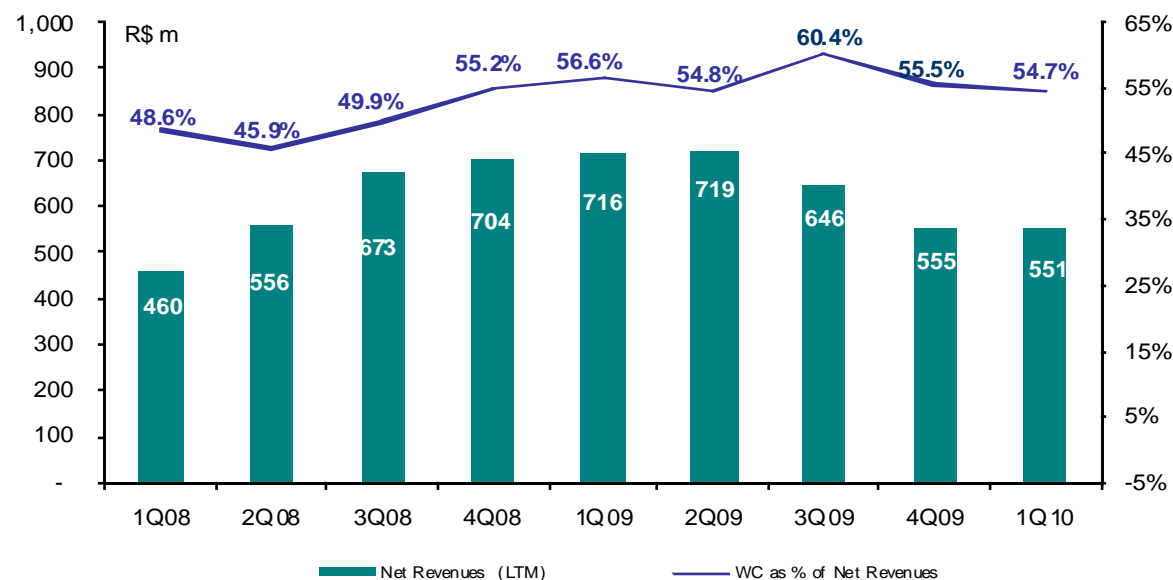
Net Result
(R\$ million)





Operating Working Capital

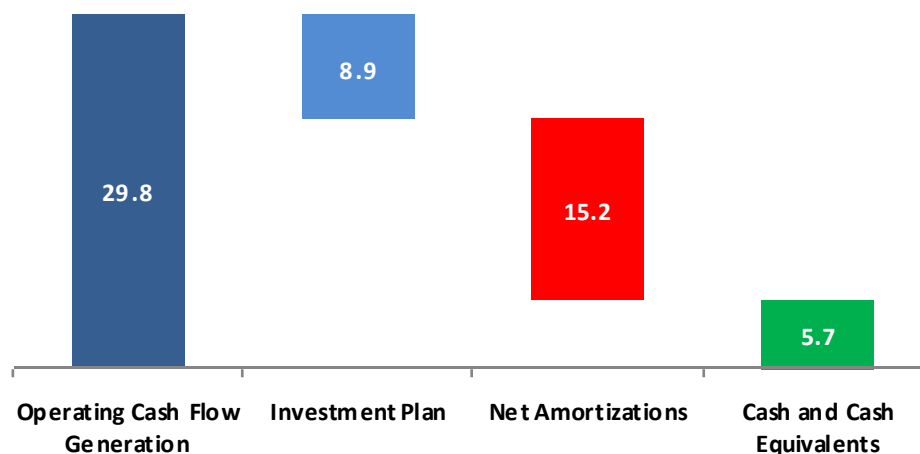
Working Capital (R\$ thousand)	4Q09	1Q10	% Change	Nominal Change
Accounts Receivable	188,116	203,408	8.1%	15,292
Inventories	164,015	156,868	-4.4%	(7,147)
Accounts Payable	35,897	49,783	38.7%	13,886
Advances from Clients	8,126	8,994	10.7%	868
Employed Working Capital	308,108	301,499	-2.1%	(6,609)
Employed Working Capital Variation	(82,082)	(6,609)		





Cash and Cash Equivalents

- Operating cash flow generation in the 1Q10: R\$29.8 million or 20.3% of the Net Revenues
- Resources from the operating cash flow generation were used for:
 - The investment plan of the Company: R\$8.9 million
 - Net amortizations of financing lines: R\$15.2 million
- Cash and Cash Equivalents increase of: R\$5.7 million



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Oilfield Services: Definitions

1. Wire line: *well-intervention operations conducted using single-strand or multistrand wire or cable for intervention in oil or gas wells.*
2. Well Logging: *a measurement versus depth or time, or both, of one or more physical quantities in or around a well.*
3. Perforating: *The communication tunnel created from the casing or liner into the reservoir formation, through which oil or gas is produced.*
4. Completion: *A generic term used to describe the assembly of downhole tubulars and equipment required to enable safe and efficient production from an oil or gas well.*
5. Artificial Lifting: *Any system that adds energy to the fluid column in a wellbore with the objective of initiating and improving production from the well.*
6. Slick Line: *cable used for selective placement and retrieval of wellbore hardware, such as plugs, gauges and valves located in sidepocket mandrels.*
7. Early Production Facilities: *sistema de produção provisório que permite o início da produção de um poço enquanto o sistema de produção definitivo não foi instalado.*
8. Coiled Tubing: *A generic term relating to the use of a coiled tubing string and associated equipment. As a well-intervention method, coiled tubing techniques offer several key benefits over alternative well-intervention technologies. The ability to work safely under live well conditions, with a continuous string, enables fluids to be pumped at any time regardless of the position or direction of travel.*
9. Re-entries: *operation for reentry into an abandoned or sealed well, or to access new areas of production in a well.*
10. Workover: *The process of performing major maintenance or remedial treatments on an oil or gas well. In many cases, workover implies the removal and replacement of the production tubing string after the well has been killed and a workover rig has been placed on location. Through-tubing workover operations, using coiled tubing, snubbing or slickline equipment, are routinely conducted to complete treatments or well service activities that avoid a full workover where the tubing is removed.*
11. Pulling: *Method used to retrieve temporary devices, such as plugs and flow-control equipment, from the wellbore.*
12. Swabbing: *Method used to unload liquids from the production tubing to initiate flow from the reservoir.*
13. Cased hole: *Well with a hole that has been coated with metal tubes and cemented with the objective of protecting the well against fluid, pressure or problems with instability or collapse.*
14. Open hole: *Well or part of the well whose hole has not been coated yet. Normally, it occurs during the drilling.*



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