

HMS Hydraulic Machines & Systems Group plc
 (the “Company”, and together with its subsidiaries, the “HMS Group”)

HMS GROUP 2Q and 1H 2014 ORDER INTAKE

Moscow, Russia, HMS Group (LSE: HMSG), the leading pump and compressor manufacturer as well as provider of flow control solutions and related services in Russia and the CIS, today releases its order intake for the second quarter and the first half of 2014.

1H 2014 HIGHLIGHTS:

- Total order intake for 1H 2014 amounted to Rub 12.7bn, down 4% y-o-y
- In industrial pumps business segment order intake grew by 14% y-o-y to Rub 7.3bn
- Oil & gas business segment increased its order intake by 18% y-o-y to Rub 3.6bn
- In compressor business segment order intake contracted by 35% y-o-y to Rub 1.3bn
- In EPC business segment order intake decreased by 73% to Rub 0.5bn

Order intake for 2Q and 1H 2014

(Rub, mn)

Business segments	2Q 2014	2Q 2013	Change	1H 2014	1H 2013	Change
Industrial pumps	3,170	2,873	10%	7,298	6,427	14%
O&G equipment	1,529	1,497	2%	3,629	3,069	18%
Compressors	1,014	703	44%	1,277	1,968	-35%
EPC¹	275	564	-51%	477	1,752	-73%
<i>Project and Design</i>	171	541	-68%	374	1,627	-77%
<i>Construction¹</i>	103	23	344%	103	125	-17%
TOTAL^{1 2}	5,988	5,637	6%	12,680	13,216	-4%

¹Excl. construction subsidiary SKMN due to its disposal in December 2013

²Totals may differ from the sum of numbers as a result of rounding

Total order intake amounted to Rub 12.7bn, demonstrating a minor decrease year-on-year. The Group’s order intake for the first half of 2014 as well as for the corresponding period of 2013 was built mainly by small and medium-sized contracts. Meanwhile, total order intake for the second quarter of the current year surpassed the result of the corresponding period of last year.

The Group’s key business segments – the industrial pumps and oil & gas equipment - showed a stable growth of orders by 14% and 18% year-on-year respectively.

Decrease of orders for the compressor business segment reflects a quarterly volatility of business. Meanwhile, in the second quarter of 2014 Kazankompressormash (KKM) signed a significant Rub 1bn pool of new contracts.

Negative dynamics in EPC is primarily attributable to lack of orders for the construction sub-segment due to execution of the Group’s strategy to leave its oil and gas construction business.

Decline of the order intake in the project and design sub-segment in the first half of 2014 is a consequence of its weak performance in the first quarter of 2014.

HMS Group is the leading pump and compressor manufacturer, as well as provider of flow control solutions and related services to the oil and gas, nuclear and thermal power generation and water utilities sectors in Russia and the CIS. HMS Group's products are mission-critical elements of projects across a diverse range of industries. It has participated in a number of large-scale infrastructure projects in Russia, including providing pumps and modular equipment to the Vankor oil field and pumping stations on recent trunk pipelines projects linking Russia's core oil producing areas to export ports on the Pacific Ocean and Baltic Sea. HMS Group's global depositary receipts ("GDRs") are listed under the symbol "HMSG" on the London Stock Exchange.

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