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**James Fisher and Sons plc
("James Fisher")**

£10m Contract Win by James Fisher Defence

Submarine Rescue Vehicle for Republic of Korea Navy

James Fisher Defence Limited ("JFD"), a subsidiary of James Fisher, the UK's leading Marine Services provider ("FSJ"), announces that it has been awarded a contract to deliver a new Submarine Rescue Vehicle to the Republic of Korea Navy ("ROKN") following an open competitive tender.

The contract win, worth £10m over a period of 3 years, is the first since JFD acquired the UK submarine rescue service assets in November 2006 from the Government's Defence Sales Agency in order to provide submarine rescue services to other countries.

ROKN selected JFD to supply and commission the new vehicle based on the quality of the design and tender submission together with JFD's successful track record in supporting the ROKN's existing rescue submersible, the LR5K, which has included the provision of a new all-steel dry-mating skirt in September this year. This enabled the ROKN to achieve a dry transfer from a submarine for the first time for over three years.

The new submarine rescue vehicle, DSAR-5, will benefit from JFD's 15 years' experience in the operation of the United Kingdom Submarine Rescue System, including the LR5 rescue submersible which was designed and built by JFD. The DSAR-5 is capable of locking onto the escape hatch of a stranded submarine and transferring up to 16 submariners, recovering them to the surface where the rescue vehicle may interface the decompression facility onboard the "Chung-Hae-Jin", the ROKN's submarine rescue mothership.

Commenting on the contract, Simon Harris, JFD Managing Director, and a director of James Fisher, said:

"Our success in winning the contract to supply the new submarine rescue vehicle to the Republic of Korea Navy is testament to the design and build capability of James Fisher Defence and the unrivalled reputation of our operations team. We look forward to working closely with ROKN and delivering a world-leading rescue submersible."

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Editor's Notes:

Republic of Korea Navy (ROKN) Submarine Rescue

JFD enjoys an excellent working relationship with ROKN, previously supplying a range of spares and technical expertise in support of their submarine rescue operations with their LR5K submersible.

The ROKN operates LR5K from the "Chung-Hae-Jin" – a sophisticated, dedicated submarine rescue mothership incorporating a state-of-the-art below-decks decompression facility. ROKN selected JFD to supply a new dry-mating skirt in late 2005 following an open, competitive tender process. The skirt was delivered in September 2006 and commissioned by JFD personnel.

DSAR-5

The ROKN's new DSAR-5 rescue vehicle will be based on JFD's existing LR5/DSAR-1 design which is currently in-service with the Royal Navy which since being built by JFD has completed more than 300 dives and exercised with live submarines from navies around the world.

The DSAR-5 rescue vehicle is capable of rescuing up to 16 submariners from a depth of 500 metres in currents of up to 3 knots. Rescuees may be transferred under pressure to the medical and decompression facilities onboard the mothership. The use of Lithium based battery technology enables the underwater endurance to be increased significantly over conventional lead-acid based systems.

James Fisher personnel will commission the new submersible and provide training to ROKN pilots and maintainers.

James Fisher Defence Ltd

James Fisher Defence was established in January 2005, bringing together the defence sector activities of James Fisher and Sons plc including those of James Fisher Rumic which was formed in 1984 and was acquired by James Fisher and Sons in 2002. In recent years the company has increased the scope of its activities and is actively marketing submarine rescue hardware and services to overseas navies globally. JFD operates the United Kingdom Submarine Rescue System from its base in Renfrew, Scotland and will operate the new NATO Submarine Rescue Service rescue submersible.

Employing 40 full time personnel JFD has established itself as a world leader in the provision of submarine rescue equipment and operating services, offering customers proven equipment and experienced personnel with a track record of success in this demanding sub sea environment.

James Fisher Defence Limited signed an agreement on 2 November 2006 with the Government's Defence Sales Agency to acquire the operating assets of the UK submarine rescue service, for an undisclosed amount, in order to provide submarine rescue services to other nations. The company will work closely with the Defence Export Services Organisation to market its submarine rescue services worldwide.

James Fisher Defence Limited is a wholly owned subsidiary of James Fisher and Sons plc (FSJ.L), the UK's leading provider of marine services. Through its subsidiary, James Fisher Rumic Ltd, the company currently operates and maintains the LR5 manned rescue submersible, the Scorpio ROV and ancillary equipment under a contract to the Royal Navy and has played a key role in the development of the UK's world-leading submarine rescue capability.

Last year, the rescue of the seven Russian submariners drew on the support from the RAF, the US Navy and local Russians to fly the team and equipment from its Renfrew base, transport it to a waiting ship, secure it to the vessel and reach the offshore location within 36 hours. It took about 5 hours to cut the discarded fishing nets which had trapped the mini-sub called the Priz at a depth of 625 feet off Russia's far eastern Kamchatka peninsula. This was achieved amid estimates that the Russian submariners had less than 10 hours of air left. The team was also previously mobilised for the Kursk submarine disaster in 2000.

James Fisher & Sons

James Fisher & Sons plc, the parent company to James Fisher Defence, is a leading provider of marine services with its business divided into these sectors. The group is a market leader in the provision of technical engineering solutions in the marine environment.

James Fisher has four divisions: Offshore Oil Services, Marine Oil Services, Specialist Technical Services and Defence.

ROKN Submarine Rescue Mothership Chung-Hae-Jin at sea ...[pic]

DSAR-5 model developed by JFD ...[pic](#)