



our **CUSTOMER SERVICE**
makes us **GREATER** than
the **SUM OF OUR PARTS**

Annual General Meeting
April 27, 2011



Forward Looking Information

The information in this presentation may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, that address activities, events, outcomes and other matters that CE Franklin plans, expects, intends, assumes, believes, budgets, predicts, forecasts, projects, estimates or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. These forward-looking statements are based on management’s current belief, based on currently available information, as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements and refer to the Form 20-F for further detail.

Who We Are

- Leading distributor of oilfield equipment to over 3,000 customers from 45 branches situated in Western Canada.
- Over 50 year History
- Shares trade on the TSX (CFT) and on NASDAQ (CFK)
- 17.5 million shares outstanding
- 56% owned by Schlumberger Limited

What We Do

- We service our customer's project management, maintenance and operational needs by providing the right materials, on time with the best value
- Leverage our scale to enable industry leading hub and spoke purchasing and logistics
- Approximately 230 oilfield supply stores in Canada generating \$2 - \$3 billion annual revenue
- Competition includes Midfield/MRC, National Oilwell Varco, Apex, Westlund Industrial and Meridian Specialty and other industrial equipment suppliers

CEF Current Product Offering



**Major
Projects
Group**



Automation



**Maintenance,
Repair and
Operating
Supplies**



**Tubular
Group**



**Artificial Lift
Systems**



**Mechanical
Field
Services**

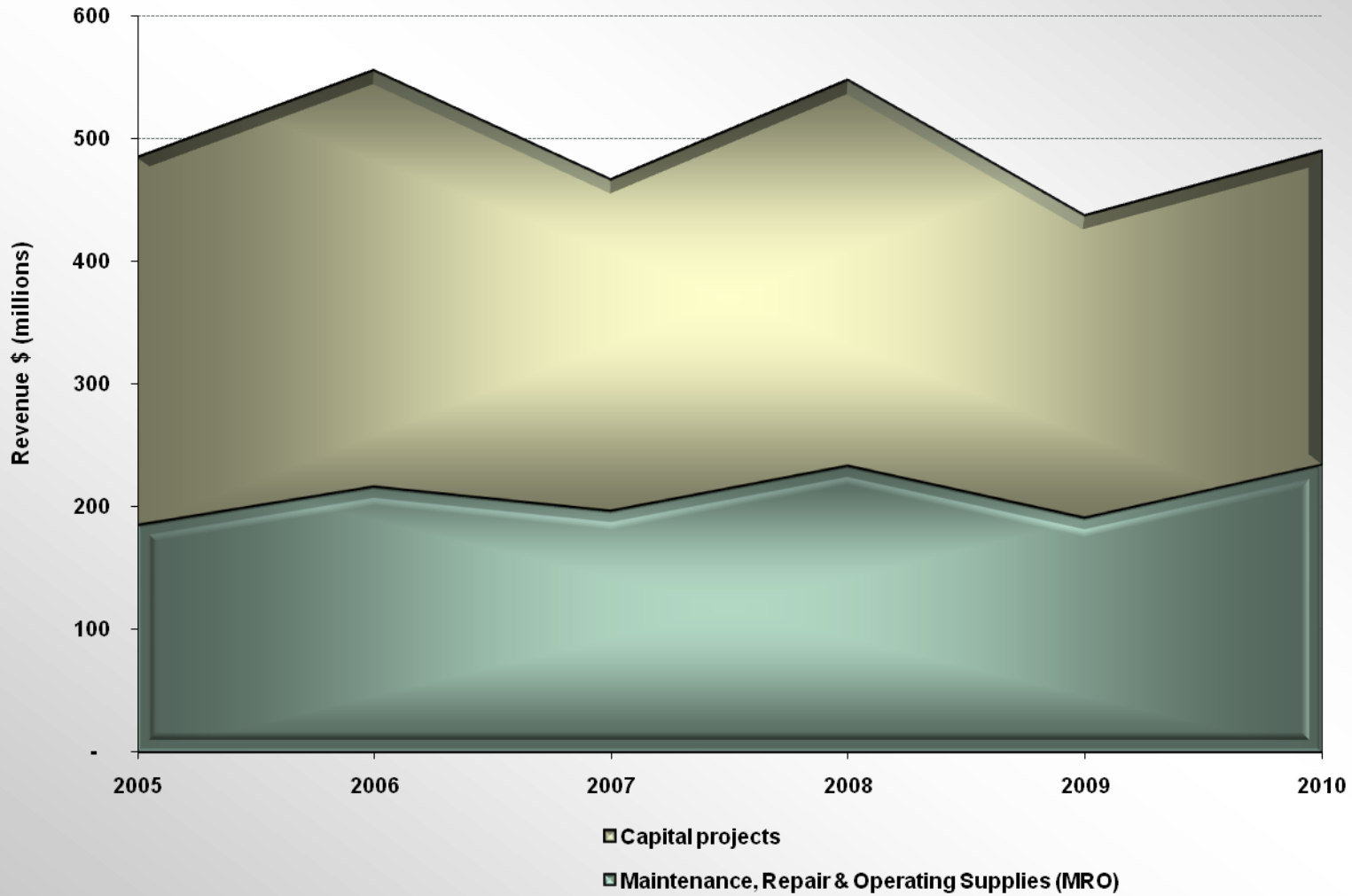
Some of our Major Customers

- Spectra Energy
- Crescent Point Energy Corp.
- EnCana
- Cenovus
- Suncor Energy Inc.
- Syncrude Canada Ltd.
- Talisman Energy Inc.
- Kiewit and other engineering, procurement and construction firms

Service over 3,000 customers

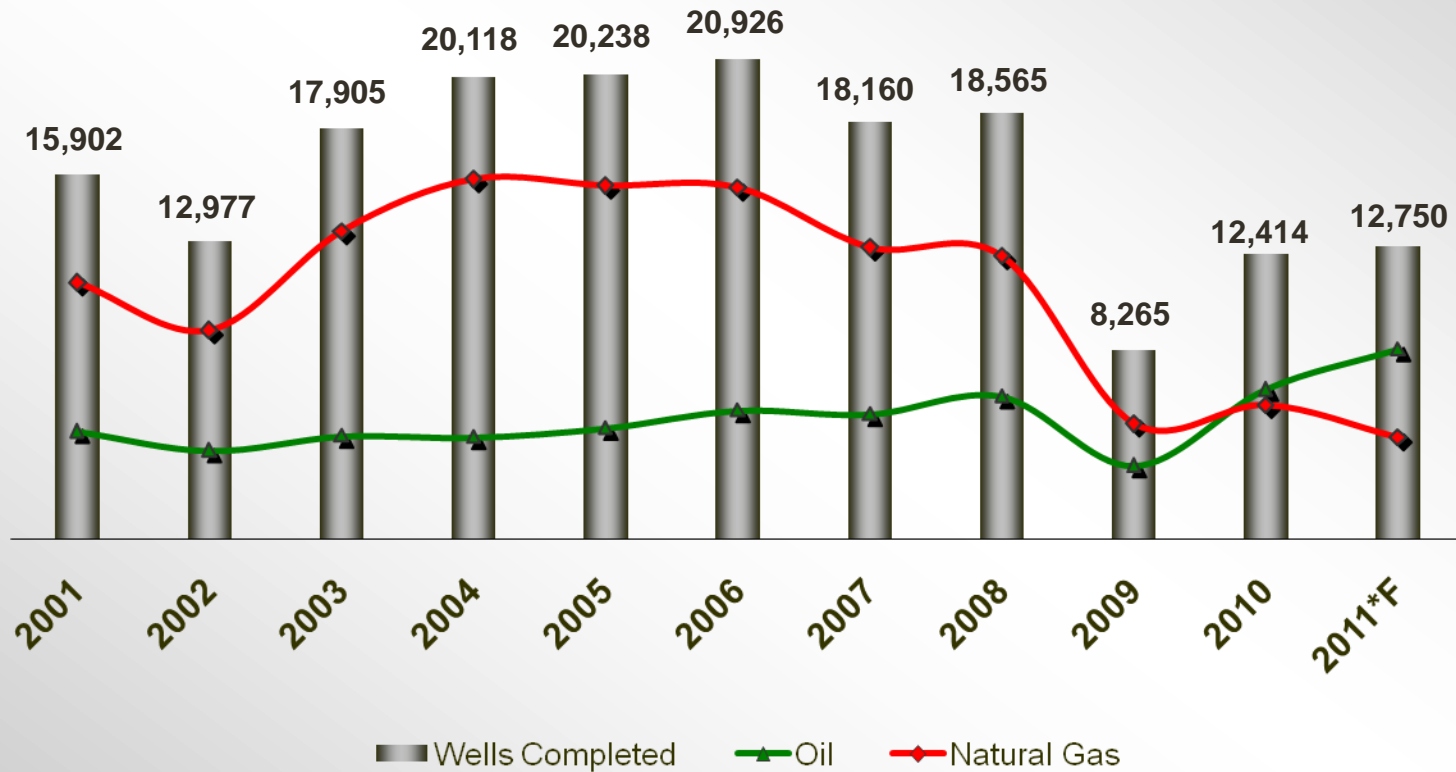
(Top 10 customers comprised 38% of 2010 revenues)

Sales Drivers



Wells Completed in Canada

(wells completed excluding dry and service)



Financial Results - Annual

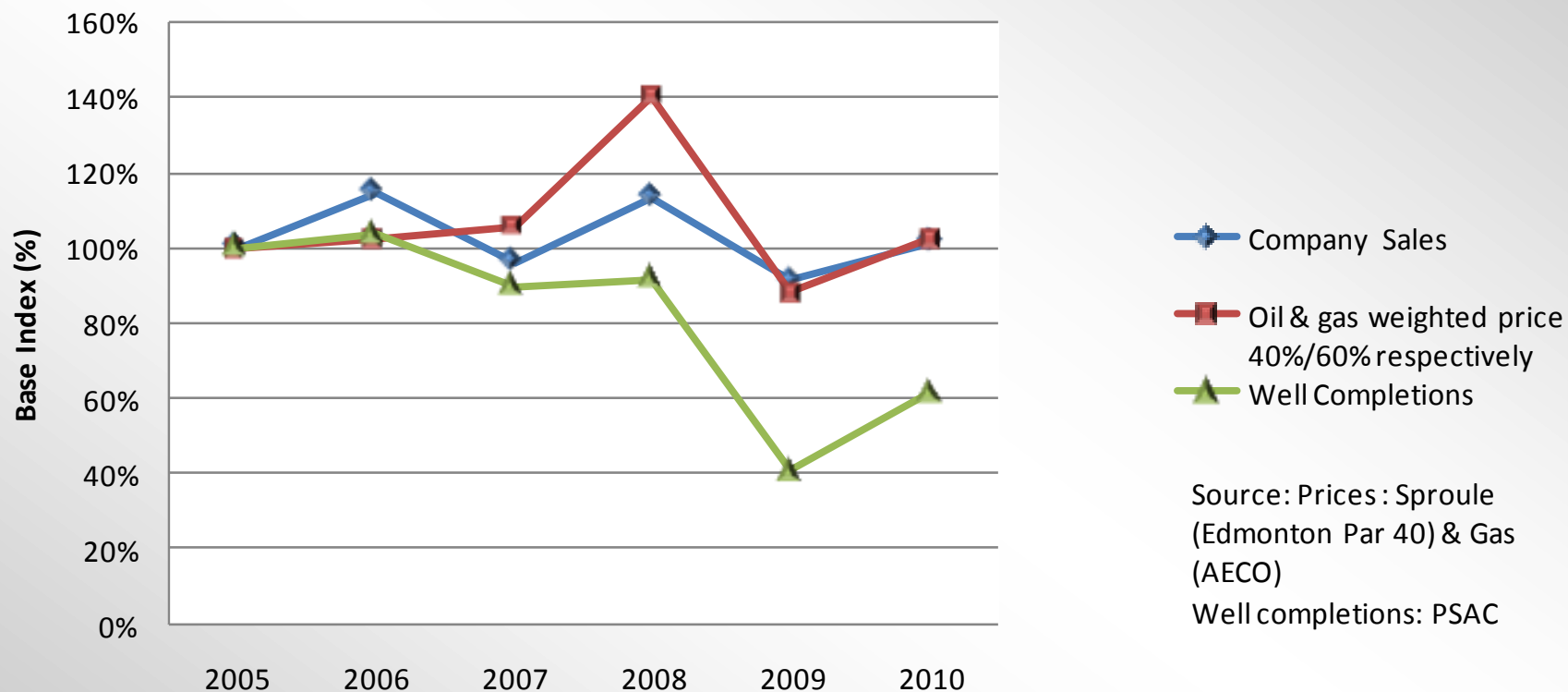
	<u>Year-ended December 31</u>				
<i>(in millions of Canadian dollars, except per share data)</i>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenue	489.6	437.0	547.4	466.3	555.2
% Gross Profit	15.3	17.5	19.7	18.1	18.6
EBITDA	12.5	12.4	35.8	25.7	40.1
Net Earnings	5.9	6.3	21.7	13.6	22.9
% of Net Earnings	1.2	1.4	4.0	2.9	4.1
Net Earnings per share					
Basic	\$0.34	\$0.36	\$1.19	\$0.74	\$1.27
Return on Equity (%)	3.9	4.5	16.9	12.3	25.6

Capitalization and Asset Efficiency

(in millions of Canadian dollars)

	2010	2009	2008	2007	2006
Net Working Capital	125.7	136.6	142.8	134.7	120.2
Long term assets	31.2	32.8	31.9	29.2	17.6
Net Assets Employed	156.9	169.4	174.7	163.9	137.8
Funded by:					
Debt Obligations	6.4	26.8	35.4	45.7	35.3
Shareholders' Equity	150.5	142.6	139.3	118.2	102.5
	156.9	169.4	174.7	163.9	137.8
Debt/EBITDA	0.5	2.2	1.0	1.8	0.9
Accounts Receivable DSO	56	60	52	62	59
Inventory Turns	4.9	3.0	4.2	4.3	4.3

Performance vs. Market Activity Trends



Q1 2011 Comparison

(in millions of Canadian dollars, except per share data)

	<u>2011</u>	<u>2010</u>
Revenue	137.7	121.9
% Gross Profit	16.2	16.1
EBITDA	5.3	4.1
Net Earnings	3.4	2.2
% of Net Earnings	2.5	1.8
Net Earnings per share		
Basic	19¢	13¢
Return on Equity (%)	8.8	6.1

Q1 Capitalization and Asset Efficiency

(in millions of Canadian dollars)

	2011	2010
Cash	3.2	—
Net Working Capital	120.1	113.9
Fixed Assets & Goodwill	31.1	32.4
Net Assets Employed	154.4	146.3
Funded by:		
Debt Obligations	0.3	1.4
Shareholders' Equity	154.1	144.9
	154.4	146.3
Debt/EBITDA	0.1	0.1
Accounts Receivable DSO	54	51
Inventory Turns	4.6	4.6

Strategies

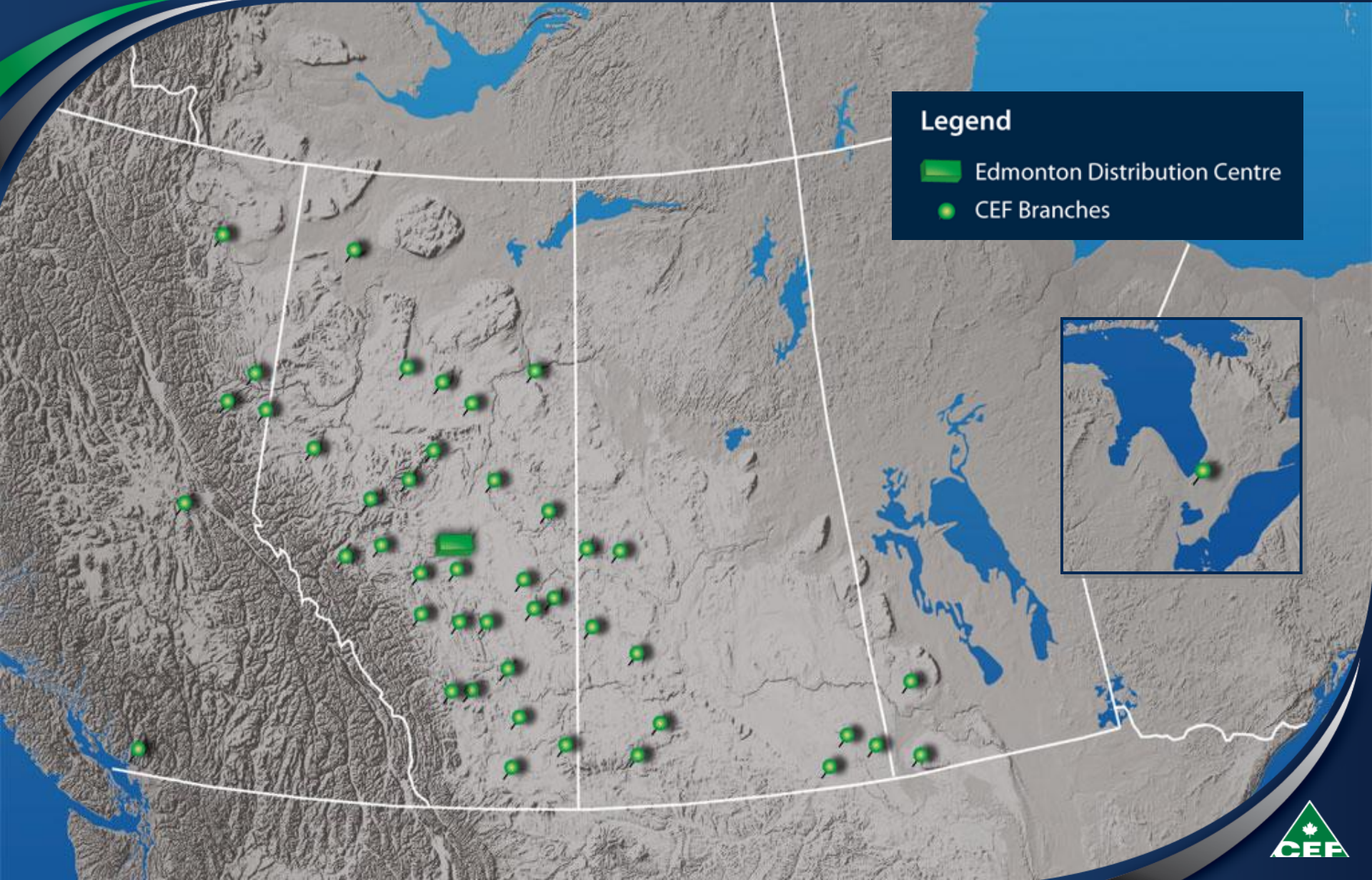
- Expand the reach and market share serviced by our distribution network
 - Conventional oil and gas
 - Oil sands
 - Industrial
 - Fluid control products

Oilfield Supply

Revenue (<i>\$ millions</i>)	2010	2009	2008
Oilfield	\$410.7	\$362.0	\$491.3
Production Services	\$17.6	\$10.5	\$16.7

- Gain market share
 - New customer capture
 - Industry consolidation
- Improve process efficiency
- Improve asset performance
- Expand product scope

Locations



Legend

- Edmonton Distribution Centre
- CEF Branches

Oil Sands / Major Projects

Revenue (\$ millions)	2010	2009	2008
Oil sands / Major Projects	\$61.3	\$64.5	\$39.4

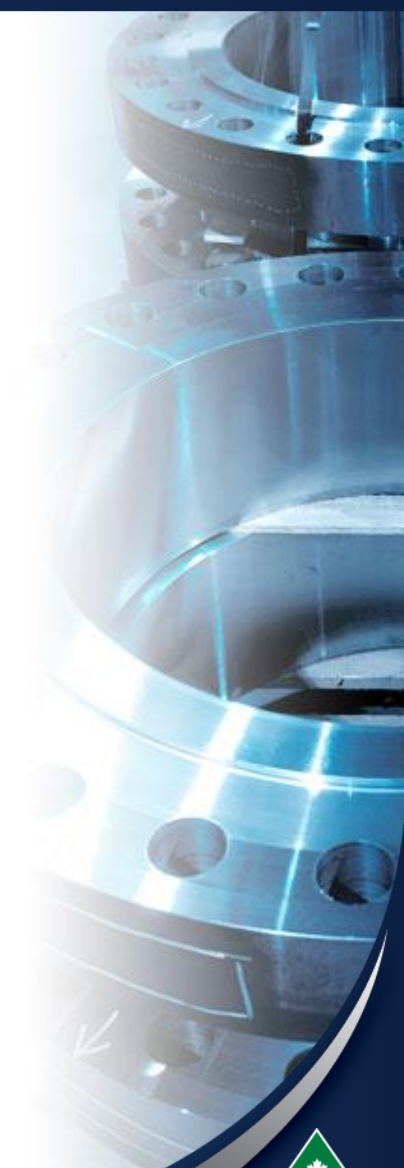
- Green field initiative five years ago
- Leverage existing capability and reach
- Leverage existing customer relationships
- Expand product capability / Core products

Industrial Products

- Control valves / Instrumentation / Valve actuation
- Upstream / Midstream / Downstream
- Leveraging existing capabilities and infrastructure
- New and existing customers

How Strategies Link

- Leverage existing infrastructure/distribution capability
- Expand branch network reach
- Diversify customers and markets
- Leverage existing customers with new value opportunity



Board of Directors

- John J. Kennedy (1999)
- Michael S. West (2002)
- Michael J.C. Hogan (2006)
- Robert McClinton (2006)
- Kjell-Erik Oestdahl (2010)
- Keith Turnbull (2010)
- Brad Thomson (2010)

Market Outlook

- Gas prices expected to remain low
- Oil prices expected to remain strong
- PSAC/CAODC is forecasting continued industry activity recovery
- Services sector competition expected to remain high

Why Invest in CE Franklin

- Solid balance sheet and market position
- Solid growth strategies
- Industry activity improving



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Questions





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