




## 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.*

The slide has a dark background with a grey diagonal shape. The title 'Forward Looking Information' is in white. The main text is in italics. A small CE Franklin logo is in the bottom right corner. Red and green arrow graphics are in the corners.

## >> Who We Are

- Leading distributor of oilfield equipment to over 3,000 customers from 44 branches situated in Western Canada.
- Over 50 year History
- Shares trade on the TSX (CFT) and on AMEX (CFK)
- 18.3 million shares outstanding
- 53% owned by Smith International Inc. (Fortune 500 Energy Services Company)



## >> Mission Statement

***CE Franklin will be the market leader in the supply of products, services and solutions to the energy industry. We will achieve leadership by delivering superior customer service through our people, our performance and our partnerships.***



## >> Operating Values

- *Integrity*
- *Credibility*
- *Performance*
- *Teamwork*
- *Service Ethic*
- *Trust*
- *Responsibility*
- *Community*

**"SHARED SUCCESS"**



## >> 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 250 oilfield supply stores in Canada generating \$2-3 billion annual revenue
- Competition includes Midfield/Redman, National Oilwell Varco, Apex, Westlund Industrial and Meridian Specialty and other industrial equipment suppliers





## >> Some of Our Major Customers

- Talisman Energy
- EnCana
- Nexen
- Petro-Canada
- Husky

Service over 3,000 customers  
*(Top 10 customers comprised 43% of 2007 revenues)*

The slide features a background image of classical stone columns. The CEE logo is positioned in the bottom right corner.

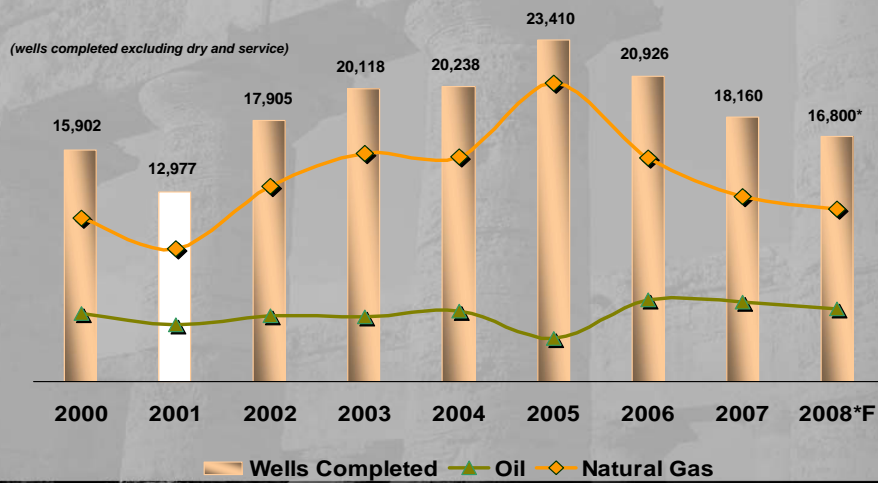
## Some of Our Major Suppliers

<u>Supplier</u>	<u>Product</u>
▪ Ipsco Inc.	➤ Oil Country Tubular Goods
▪ Cameron International Corp.	➤ Valves
▪ Sumitomo Canada Limited	➤ Pipe
▪ Dura Products Inc.	➤ Bottom Hole Pumps
▪ R&M Energy Systems	➤ Production Equipment, Pumps

Distribute approximately 25,000 products sourced from over 2,000 suppliers  
*(Top 10 suppliers comprised 43% of 2007 purchases)*

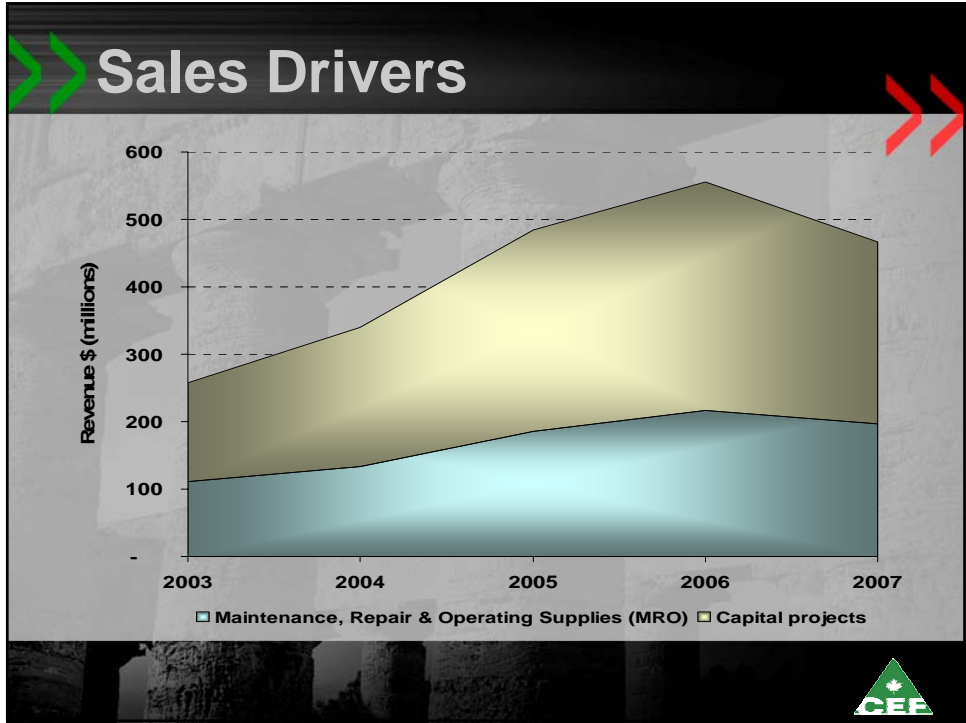


## Wells Completed in Canada



\*F – PSAC forecast as of August 31, 2007





## Growth

### Four Pillars of Growth

1. Gaining Market Share in our Core Business
2. Pursuing Major Projects in the Oil Sands
3. Adding New Services in the Product Life Cycle
4. Expanding our Presence Internationally



## Strategies

### ***Optimize Supply Chain Management***

- Hub and spoke model (44 branches with 130,000 square foot distribution centre)
- Vendor Management
- Process
- Freight and Logistics



## Premier Customer Service

- Operational excellence
- Process consistency
- Trained employees
- Direct to Customer capital project service
- Full life cycle product service



## Board of Directors

- David A. Dyck (2004)
- Michael J.C. Hogan (2006)
- John J. Kennedy (1999)
- Robert McClinton (2006)
- Don McKenzie (2008)
- Victor J. Stobbe (2003)
- Michael S. West (2002)



## Financial Results

	Year-ended December 31				
<i>(in millions of Canadian dollars, except per share data)</i>	2007	2006	2005	2004	2003
<b>Sales</b>	<b>466.3</b>	555.2	482.4	338.7	257.9
<b>% Gross Profit</b>	<b>18.1</b>	18.6	18.9	17.7	16.9
<b>EBITDA</b>	<b>25.7</b>	40.1	36.0	15.9	7.9
<b>Net Income</b>	<b>13.6</b>	22.9	18.9	6.1	0.4
<b>% of Net Income</b>	<b>2.9</b>	4.1	3.9	1.8	-
<b>Net Income per share</b>					
Basic	<b>\$0.74</b>	\$ 1.27	\$ 1.09	\$0.36	\$0.02
<b>Return on Equity (%)</b>	<b>12.3</b>	25.6	29.1	12.0	0.8



## Capitalization and Asset Efficiency

(in millions of Canadian dollars)

	2007	2006	2005	2004	2003
<b>Net Working Capital</b>	<b>134.7</b>	120.2	107.2	72.8	56.5
<b>Fixed Assets &amp; Goodwill</b>	<b>29.2</b>	17.6	12.5	13.5	10.1
<b>Net Assets Employed</b>	<b>163.9</b>	137.8	119.7	86.3	66.6
<b>Funded by:</b>					
Debt Obligations	45.7	35.3	43.8	32.2	19.0
Shareholders' Equity	118.2	102.5	75.9	54.1	47.6
	<b>163.9</b>	137.8	119.7	86.3	66.6
<b>Debt/EBITDA</b>	<b>1.8</b>	0.9	1.2	2.0	2.4
<b>Accounts Receivable DSO</b>	<b>62</b>	55	56	51	52
<b>Inventory Turns</b>	<b>4.3</b>	4.3	5.6	5.3	5.0



## Q1 Financial Results

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

	2008	2007
<b>Sales</b>	<b>\$140.6</b>	\$154.3
<b>Gross Profit - % of Sales</b>	<b>19.2%</b>	17.1%
<b>EBITDA - % of Sales</b>	<b>7.2%</b>	7.1%
<b>Net Income</b>	<b>\$6.3</b>	\$6.4
<b>Net Income per share (basic)</b>	<b>\$0.34</b>	\$0.35
<b>Net Working Capital</b>	<b>117.4</b>	124.0
<b>Bank Operating Loan</b>	<b>21.8</b>	33.6



