

GOODWIN PLC

IVY HOUSE FOUNDRY, HANLEY, STOKE-ON-TRENT

INTERIM REPORT
31ST OCTOBER 2006

GOODWIN PLC

UNAUDITED INTERIM RESULTS

INTERIM STATEMENT FOR THE HALF YEAR TO 31ST OCTOBER 2006

CHAIRMAN'S STATEMENT

The Group pre-tax profit was £2.8 million for the half year ending 31st October 2006, which represents a 34.2% increase over the same period last year. The half year turnover increased to £30.5 million from £26.9 million.

The weakness of the US dollar versus the strength of sterling continues to be an obstacle to winning business from the USA and the Pacific Basin countries, but it is pleasing to report that the Group still had as at 31st October 2006 a very healthy forward work load for its products at respectable margins and most of this business has been won from the Pacific Basin countries and the USA.

Tight control of cash flow remains a priority because of the Group's increasing levels of activity. The company had as at 31st October 2006 committed to completing the first of two purchases. This purchase will result in a doubling of our vermiculite manufacturing and sales output of insulation products.

J.W.GOODWIN, Chairman

26th January 2007

GROUP INCOME STATEMENT for the half year ended 31st OCTOBER 2006

	Half year ended 31st October 2006 £'000	<i>Half year ended</i> 31st October 2005 £'000	<i>Year ended</i> 30th April 2006 £'000
TURNOVER - CONTINUING	<u>30,509</u>	<u>26,977</u>	<u>58,180</u>
OPERATING PROFIT BEFORE FINANCIAL EXPENSES	3,108	2,278	5,533
FINANCIAL EXPENSES	(280)	(171)	(401)
PROFIT BEFORE TAX	<u>2,828</u>	<u>2,107</u>	<u>5,132</u>
TAX EXPENSE	(874)	(638)	(1,629)
PROFIT FOR THE PERIOD	<u>1,954</u>	<u>1,469</u>	<u>3,503</u>
ATTRIBUTABLE TO:			
EQUITY HOLDERS OF THE PARENT	1,901	1,434	3,361
MINORITY INTEREST	<u>53</u>	<u>35</u>	<u>142</u>
	<u>1,954</u>	<u>1,469</u>	<u>3,503</u>
EARNINGS PER ORDINARY SHARE			
Basic and diluted	26.40p	19.91p	46.68p

GOODWIN PLC

UNAUDITED INTERIM RESULTS

GROUP BALANCE SHEET at 31st OCTOBER 2006

	Half year ended 31st October 2006 £'000	Half year ended 31st October 2005 £'000	Year ended 30th April 2006 £'000
ASSETS			
Intangible Assets	327	227	354
Property, Plant and Equipment	<u>12,097</u>	<u>10,948</u>	<u>11,118</u>
TOTAL NON CURRENT ASSETS	12,424	11,175	11,472
Inventories	12,512	11,716	10,270
Trade and Other Receivables	15,216	11,367	13,609
Cash	<u>514</u>	<u>462</u>	<u>545</u>
TOTAL CURRENT ASSETS	28,242	23,545	24,424
TOTAL ASSETS	40,666	34,720	35,896
LIABILITIES			
Bank Overdrafts	6,564	4,486	3,569
Other Interest Bearing Loans and Borrowings	396	260	291
Trade and Other Current Payables	12,532	13,038	12,520
Tax Payable	707	590	842
TOTAL CURRENT LIABILITIES	20,199	18,374	17,222
NET CURRENT ASSETS	8,043	5,171	7,202
Other Interest Bearing Loans and Borrowings	677	456	520
Deferred Tax	1,429	1,060	1,427
NON CURRENT LIABILITIES	2,106	1,516	1,947
TOTAL LIABILITIES	22,305	19,890	19,169
NET ASSETS	18,361	14,830	16,727
EQUITY			
Share Capital	720	720	720
Retained Earnings	16,524	13,696	14,623
Cash Flow Hedge Reserve	653	158	926
Overseas Subsidiaries Translation Reserve	(23)	(8)	24
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT	17,874	14,566	16,293
Minority Interests	487	264	434
TOTAL EQUITY	18,361	14,830	16,727

GOODWIN PLC

UNAUDITED INTERIM RESULTS

GROUP CASH FLOW STATEMENT for the half year ended 31st OCTOBER 2006

	Half year ended 31st October 2006 £'000	Half year ended 31st October 2005 £'000	Year ended 30th April 2006 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	1,954	1,469	3,503
<i>Adjustments for:</i>			
Depreciation	767	732	1,590
Amortisation	26	20	54
Financial Expense	280	171	401
Loss on Sale of Plant & Equipment	8	4	29
Tax Expense	874	638	1,629
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL AND PROVISIONS	3,909	3,034	7,206
Increase in Trade and Other Receivables	(1,966)	(1,379)	(2,543)
Increase in Inventories	(2,242)	(1,681)	(222)
Increase/(Decrease) in Payments on Account	457	(180)	(2,850)
(Decrease)/Increase in Trade and Other Payables	(537)	(1,322)	769
CASH GENERATED FROM OPERATIONS	(379)	(1,528)	2,360
Interest Paid	(280)	(171)	(401)
Corporation Tax Paid	(920)	(642)	(1,295)
NET CASH FROM OPERATING ACTIVITIES	(1,579)	(2,341)	664
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Plant and Equipment	7	5	31
Acquisition of Plant and Equipment	(1,287)	(739)	(1,595)
Acquisition of Subsidiary Interest	0	(116)	(136)
NET CASH FROM INVESTING ACTIVITIES	(1,280)	(850)	(1,700)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of Capital Element of Finance Lease Obligations	(156)	(175)	(325)
Dividends Paid	-	-	(1,000)
NET CASH FROM FINANCING ACTIVITIES	(156)	(175)	(1,325)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,015)	(3,366)	(2,361)
Opening Cash and Cash Equivalents	(3,024)	(670)	(670)
Effect of Exchange Rate Fluctuations on Cash Held	(11)	12	7
CLOSING CASH AND CASH EQUIVALENTS	(6,050)	(4,024)	(3,024)

GOODWIN PLC

UNAUDITED INTERIM RESULTS

GROUP STATEMENT OF RECOGNISED INCOME & EXPENSE for the half year ended 31st OCTOBER 2006

	Half year ended 31st October 2006	<i>Half year ended 31st October 2005</i>	<i>Year ended 30th April 2006</i>
	£'000	£'000	£'000
Foreign Exchange Translation Differences	(47)	12	44
Effective Portion of Changes in Fair Value of Cash Flow Hedges	390	(3,854)	(398)
Change in Fair Value of Cash Flow Hedges Transferred to Profit and Loss	(780)		(2,359)
Tax Recognised on Income and Expenses Recognised Directly in Equity	117	1,156	827
Net Income and Expense Recognised Directly in Equity	<u>(320)</u>	<u>(2,686)</u>	<u>(1,886)</u>
Profit for the Period	1,954	1,469	3,503
Total Recognised Income and Expense	<u>1,634</u>	<u>(1,217)</u>	<u>1,617</u>
Total Recognised Income and Expense for the Period is attributable to:			
Equity Holders of the Parent	1,581	(1,252)	1,475
Minority Interests	53	35	142
	<u>1,634</u>	<u>(1,217)</u>	<u>1,617</u>
Effect of Change in Accounting Policy			
Effect of Adoption of IAS32 and IAS39 Net of Tax on 1st May 2005 on: Cash Flow Hedge Reserve	–	2,856	2,856

GOODWIN PLC

UNAUDITED INTERIM RESULTS for the half year ended 31st OCTOBER 2006

NOTES

1. Basis of preparation

The income statement for the six months to 31st October 2006 and the balance sheet at that date are reported under IFRS as adopted for use in the European Union and in accordance with the Companies Act 1985. The financial information in these interim financial statements has been prepared in accordance with the accounting policies expected to be used in preparing the annual financial statements for the year ended 30th April 2007, which do not differ significantly from those used for the most recent financial statements.

2. Dividends

The directors do not propose the payment of an interim dividend.

	Half Year Ended 31st October 2006 £'000	Half Year Ended 31st October 2005 £'000	Year Ended 30th April 2006 £'000
Equity Dividends:			
Paid Dividend (April 2005 - 13.889p per share)	0	0	(1,000)
Proposed Dividend (April 2006 - 15.278p per share)	0	0	(1,100)

3. Earnings per share

The calculation of the earnings per ordinary share is based on the number of ordinary shares in issue during all periods of 7,200,000 and on the profit for the period attributable to ordinary shareholders of £1,901,000 (31st October 2005 £1,434,000). The company has no share options or diluted earnings per share.

4. Financial Information

The financial information for the six months ended 31st October 2006 and the comparative figures for the six months ended 31st October 2005 have not been audited or reviewed. The summarised financial information in respect of the year ended 30th April 2006 is not the company's statutory accounts for that financial year. Those accounts, which were prepared under IFRS, have been delivered to the Registrar of Companies. The report of the auditors was (i) unqualified; (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or section 237(3) of the Companies Act 1985.